

SENATE.

MONDAY, February 21, 1921.

(Legislative day of Monday, February 14, 1921.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Glass	Lodge	Simmons
Borah	Gooding	McCumber	Smith, Ariz.
Brandeggee	Gronna	McKellar	Smith, Ga.
Calder	Harris	McLean	Smith, Md.
Capper	Harrison	McNary	Smoot
Chamberlain	Heflin	Moses	Spencer
Culberson	Henderson	Myers	Sterling
Curtis	Jones, N. Mex.	New	Sutherland
Dial	Jones, Wash.	Norris	Swanson
Dillingham	Kellogg	Overman	Thomas
Fernald	Kendrick	Phelan	Townsend
Fletcher	Kenyon	Phipps	Trammell
France	Kirby	Pittman	Underwood
Frelinghuysen	Knox	Pomerene	Wadsworth
Gay	La Follette	Ransdell	Watson
Gerry	Lenroot	Sheppard	Willis

Mr. DIAL. Mr. President, I desire to announce that the Senator from Maine [Mr. HALE], the Senator from Washington [Mr. POINDEXTER], the Senator from Delaware [Mr. BALL], and the Senator from South Carolina [Mr. SMITH] are detained at a hearing before the Committee on Naval Affairs.

The VICE PRESIDENT. Sixty-four Senators have answered to their names. There is a quorum present.

TRANSPORTATION OF DIPLOMATIC AND CONSULAR OFFICERS, 1921 (S. DOC. NO. 411).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a communication from the Secretary of State submitting a supplemental estimate of appropriation in the sum of \$200,000, required by the Department of State for transportation of diplomatic and consular officers, fiscal year 1921, which was referred to the Committee on Appropriations and ordered to be printed.

SALARY OF ASSISTANT SECRETARY OF AGRICULTURE (S. DOC. NO. 412).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a communication from the Secretary of Agriculture, submitting a paragraph of legislation authorizing the payment of the salary of the Assistant Secretary of Agriculture from June 12, 1920, to March 4, 1921, notwithstanding the provisions of section 1761, Revised Statutes, etc., which was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by W. H. Overhues, its assistant enrolling clerk, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 15962) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and prior fiscal years, and for other purposes; had agreed to the conference requested by the Senate; and that Mr. GOOD, Mr. CANNON, and Mr. EVANS of Montana were appointed managers of the conference on the part of the House.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes; had agreed to the conference requested by the Senate; and that Mr. JOHNSON of Washington, Mr. SIEGEL, Mr. VAILE, Mr. SABATH, and Mr. RAKER were appointed managers of the conference on the part of the House.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented a memorial of sundry members of the First Church of Christ, Scientist, of Mystic, Conn., remonstrating against the enactment of legislation providing for physical education, which was referred to the Committee on Education and Labor.

He also presented memorials of the Woman's Club of Wallingford; the Cheshire Garden Club, of Cheshire; and the Women's Club of Norwalk, all in the State of Connecticut, remonstrating against commercializing the national parks, which were referred to the Committee on Commerce.

He also presented a telegram in the nature of a petition of the New Haven Auto Dealers' Association, of New Haven, Conn., praying for the enactment of legislation to include a Federal highway commission in proposed legislation to extend Federal aid to the several States in the construction of roads,

which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of the Woman's Christian Temperance Union of Torrington, Conn., protesting against an appropriation being made in the agricultural appropriation bill for the investigation of and improvement of tobacco, which was ordered to lie on the table.

He also presented petitions of Walter J. Smith Post, No. 511, Veterans of Foreign Wars, of New Britain, Conn., and W. T. Brooks, secretary of meeting of ex-service men of Waterbury, Conn., praying for the enactment of legislation paying a bonus to ex-service men, which were referred to the Committee on Finance.

He also presented a resolution of Washington Camp, No. 4, Patriotic Order Sons of America, of New Haven, Conn., favoring legislation making armistice day a legal holiday, which was referred to the Committee on the Judiciary.

He also presented memorials of St. Mary's Holy Name Society, of New Britain; McSwiney Council, American Association for the Recognition of the Irish Republic, of Bridgeport; Campbell Council, No. 573, Knights of Columbus, of South Manchester; Valley Council, No. 23, Knights of Columbus, of Ansonia; Division No. 1, Ancient Order of Hibernians, of Rockville; and Division No. 8, Ancient Order of Hibernians, of Stafford Springs; Division No. 1, Ancient Order of Hibernians, of New London; Star of the Sea Branch, No. 681, Ladies' Catholic Benevolent Association, of New London; and Rev. P. H. McClean, of St. Mary's rectory, of Milford, all in the State of Connecticut, remonstrating against the enactment of legislation creating a department of education, which were referred to the Committee on Education and Labor.

Mr. GORE presented a resolution adopted at a meeting attended by 500 Catholics at Tulsa, Okla., protesting against the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

Mr. KENDRICK presented a joint memorial of the Legislature of Wyoming, which was referred to the Committee on Post Offices and Post Roads, as follows:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.UNITED STATES OF AMERICA,
State of Wyoming, ss:

I, W. E. Chaplin, secretary of state of the State of Wyoming, do hereby certify that the annexed copy of enrolled senate joint memorial No. 3, of the Sixteenth Legislature of the State of Wyoming, being original senate joint memorial No. 5, has been carefully compared with the original, filed in this office, and is a full, true, and correct transcript of the same and of the whole thereof.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 16th day of February, A. D. 1921.

[SEAL.]

W. E. CHAPLIN,
Secretary of State,
By H. M. SYMONS,
Deputy.

Enrolled joint memorial 3, Senate, Sixteenth Legislature of the State of Wyoming.

Memorial to the Senate and the House of Representatives of the United States requesting of Congress prompt action on H. R. 15873, for extension of Federal aid for highway construction.

Whereas the Federal Government has heretofore and during the past years extended Federal aid to the several States of the Union for the purpose of constructing permanent highways; and

Whereas by reason of such Federal aid many of the States have begun the construction of permanent State and interstate highways which have been completed in part and the completion of which will necessitate further Federal aid; and

Whereas heretofore on the 25th day of January, 1921, the Roads Committee of the House of Representatives of the United States did unanimously recommend an authorization for the appropriation of \$100,000,000 for the fiscal year ending June 30, 1922, also the appropriation of \$3,000,000 for the national forest roads and trails, which said recommendation is known as H. R. 15873, by the terms of which bill further Federal aid will be extended to the States of the Union for further permanent road construction and completion of roads under construction under the provisions of an act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads and for other purposes," approved July 11, 1916; and

Whereas the Legislature of the State of Wyoming did heretofore pass and adopt a law assenting to and agreeing to conform to the provisions of an act of Congress entitled "An act to provide that the United States shall aid the States in the construction of rural post roads and for other purposes," together with all acts and legislation amendatory thereof or supplementary thereto, or which shall grant or authorize aid for the construction, improvement, maintenance, or repair of public roads or highways: Now, therefore, be it

Resolved by the Senate of the State of Wyoming (the House of Representatives concurring), That the Congress of the United States be memorialized to take favorable and prompt action and to pass H. R. 15873 as unanimously recommended by the Roads Committee of the House of Representatives of the United States; be it further

Resolved, That a copy of this memorial be sent to Senator FRANCIS E. WARREN, Senator JOHN B. KENDRICK, and Hon. FRANK W. MONDELL, Representative in Congress for the State of Wyoming.

W. W. DALEY,
President of the Senate.
L. R. EWART,
Speaker of the House.

Mr. WILLIS presented a resolution of the American Association of Flint and Lime Glass Manufacturers (Inc.), of Pittsburgh, Pa., favoring legislation to prohibit importation of products manufactured in whole or in part by child labor, which was referred to the Committee on Education and Labor.

He also presented a memorial of Company B, Old Guard, of Newark, Ohio, protesting against the enactment of legislation incorporating the Grand Army of the Republic, which was referred to the Committee on Military Affairs.

Mr. TOWNSEND presented a resolution of the Tri-State Development Congress, of St. Paul, Minn., favoring legislation extending the powers of the Mississippi River Commission as far north as the Twin Cities, which was referred to the Committee on Commerce.

He also presented a memorial of sundry citizens of Charlevoix, Mich., remonstrating against the enactment of legislation creating a department of education, which was referred to the Committee on Education and Labor.

He also presented a resolution of the Exchange Club, of Grand Haven, Mich., favoring legislation for a deep waterway via the St. Lawrence River, which was referred to the Committee on Commerce.

He also presented a resolution of the Legislature of Michigan, which was referred to the Committee on Finance, as follows:

Senate concurrent resolution 11.

A concurrent resolution respectfully urging the Senate of the United States to enact legislation for the payment to each honorably discharged soldier, sailor, and marine of the bonus as passed by the United States House of Representatives.

Whereas there is a general desire on the part of an appreciative American public to show in a material way gratitude for the valiant work of our soldiers, sailors, and marines in the war against Germany and her allies; and

Whereas the general public feel that this Nation owes to its soldiers, sailors, and marines of the late war an everlasting debt of gratitude which financial aid can never repay; and

Whereas they believe there is justly due to those men who have made such noble sacrifices a greater measure of financial aid than provided for by existing laws; and

Whereas the subject of a soldier's bonus has been before the Federal Congress for some time, and the measure has passed the House of Representatives and will come up for consideration by the Senate of the United States: Therefore be it

Resolved by the senate (the house of representatives concurring) That the Legislature of the State of Michigan urge the Senate of the United States to pass the "bonus bill" as passed by the House of Representatives at Washington, D. C., at an early date, so that the boys who made such noble sacrifices may not have to wait any longer for this expression of the gratitude of the American people.

Resolved further, That copies of this resolution be forwarded to the United States Senators from Michigan.

Mr. TOWNSEND (for Mr. NEWBERRY) presented duplicate copy of the preceding resolution of the Legislature of Michigan, favoring legislation to pay an additional bonus to ex-service men, which was referred to the Committee on Finance.

He also (for Mr. NEWBERRY) presented memorials of the St. Vincent de Paul Society, of Detroit, and the clergy of St. Anne de Detroit Catholic Church, of Detroit, all in the State of Michigan, remonstrating against the enactment of legislation creating a department of education, which were referred to the Committee on Education and Labor.

He also (for Mr. NEWBERRY) presented a petition of Louisa St. Clair Chapter, Daughters of the American Revolution, of Detroit, Mich., praying for the enactment of legislation providing for the protection of maternity and infancy, which was ordered to lie on the table.

He also (for Mr. NEWBERRY) presented a resolution of the Michigan State Farm Bureau, of Lansing, Mich., protesting against the enactment of legislation placing a tariff on Canadian lumber, which was referred to the Committee on Finance.

He also (for Mr. NEWBERRY) presented a resolution of Sault Ste. Marie Civic and Commercial Association, of Sault Ste. Marie, Mich., favoring an amendment to the seaman's act relative to traffic on the Great Lakes, which was referred to the Committee on Commerce.

Mr. GOODING presented a resolution adopted by the Idaho Mining Association, at Boise, Idaho, favoring immediate steps being taken by the carriers and ore producers and shippers, jointly, to secure such readjustment and revision of the present ore rates as will permit of the continued operation of the metal mines, etc., which was referred to the Committee on Interstate Commerce.

REPORTS OF COMMITTEES.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 5023) to provide for the closing of Cedar Road between Quincy Street and Shepherd Street NW., in the District of Columbia, reported it without amendment and submitted a report (No. 807) thereon.

Mr. KENDRICK, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 13402) for the

purchase of land occupied by experiment vineyards near Fresno and Oakville, Calif., reported it without amendment and submitted a report (No. 808) thereon.

BILL INTRODUCED.

Mr. RANDELL introduced a bill (S. 5030) authorizing the city of New Orleans, La., to extend Dauphine Street in said city across the United States military reservation known as the Jackson Barracks (with accompanying paper), which was read twice by its title and referred to the Committee on Military Affairs.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. LODGE submitted an amendment providing for a survey and investigation of the channel and anchorage basin of New Bedford (Mass.) Harbor, with a view to obtaining a depth of at least 35 feet, intended to be proposed by him to the river and harbor appropriation bill, which was ordered to lie on the table and to be printed.

Mr. CALDER submitted an amendment proposing to pay Malcolm J. Hartman, lately a topographical draftsman in the Navy, \$1,370.87 for actual expenses incurred while stationed at the naval ammunition depot, Iona Island, N. Y., etc., intended to be proposed by him to the naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

He also submitted an amendment providing that the Secretary of Agriculture, in cooperation with the State agricultural colleges and experiment stations and the United States Council of the World's Poultry Congress and other organizations, be authorized on behalf of the United States to make suitable exhibits at the World's Poultry Congress of the International Association of Poultry Instructors and Investigators, to be held at The Hague, Holland, September 6 to 13, 1921, and appropriating \$15,000 therefor, intended to be proposed by him to the Agricultural appropriation bill, which was ordered to lie on the table and to be printed.

DISTRICT OF COLUMBIA MUNICIPAL COURT.

Mr. KELLOGG submitted an amendment intended to be proposed by him to the bill (H. R. 10074) to enlarge the jurisdiction of the municipal court of the District of Columbia, and to regulate appeals from the judgments of said court, and for other purposes, which was referred to the Committee on the Judiciary and ordered to be printed.

AGRICULTURAL APPROPRIATIONS.

The VICE PRESIDENT. The pending question is the motion of the Senator from North Dakota [Mr. GRONNA] to proceed to the consideration of the bill (H. R. 15812) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1922.

Mr. GRONNA resumed and concluded the speech begun by him on Saturday. The speech entire is as follows:

Saturday, February 19, 1921.

Mr. President, when the bill providing for appropriations for the Postal Service was about to be taken up, I made an effort to call to the attention of the Senate the importance of passing the Agricultural appropriation bill. The bill reported by the Committee on Post Offices and Post Roads was permitted to be taken up; justly so, of course. Later on the chairman of the Committee on Appropriations asked that the first deficiency bill might be disposed of before the Agricultural appropriation bill was taken up, and in the meantime the bill which was passed to-day while I was absent, the immigration bill, was made the unfinished business. That measure has been disposed of.

The bill to which the Senator from Michigan [Mr. TOWNSEND] has referred is a House bill, no amendment having been made to it by the Senate committee. I take it, therefore, that very little time will be required, as it does not go to conference. It is not so with the Agricultural appropriation bill. More than 70 amendments have been added to that bill by the committee. How many more will be offered and agreed to in the Senate I do not know. It is reasonable to believe that there will be 70 or 80 amendments to dispose of. Some of them are provisions which in their nature are legislation. They have to go not only to the Committee on Agriculture, but the bill will have to go to the Committee on Appropriations under the new rules of the House.

I do not intend to take the responsibility for defeating the Agricultural appropriation bill, but I am going to place the responsibility where it justly belongs. I have been in Congress long enough to know that when Congress wants to defeat a certain measure there is always a possibility to find an excuse to do so. I personally certainly will suffer no more nor less by the strangling or the defeating of the Agricultural appropria-

tion bill than any other Member of this body, but the people of my State and the people of the entire drought-stricken area will suffer if the item providing for an appropriation of \$50,000 is rejected, unless my bill can be passed as a separate measure.

But there are other provisions in the Agricultural appropriation bill in which I am deeply interested. Regardless of what may be said about the farmers of the West—how much wealth they possess and how much money they have made during the last few years—I find that in several sections of the West, in the drought-stricken area, they are not able to get even seed grain. Their credit is exhausted. The banks are unable to extend credit to them. On many occasions and in many localities the counties have extended credit for the purchase of seed grain, but in those localities they are no longer able to extend further credit, so that all these agencies have ceased to function.

I am glad to say the farmers are not affected in the eastern portion of North Dakota, or even in the central part of the State, but in the western part of the State, and over a large area in Montana, and in the western part of South Dakota, and in many other sections the farmers are absolutely helpless, and will not be able to purchase seed grain; and, of course, there will be vast areas in the spring-wheat belt, estimated all the way from two to four million acres, which will not be planted to any crops at all.

I can hardly believe that it is the wish of the Senate to continue those conditions, but, of course, it is for the Senate to take such action as it sees fit. But I do not want to shirk my responsibility, and I call attention to the absolute necessity of doing something for these people. There are many other things which I shall try to call attention to. I shall try to show that there is more urgency for the passing of the Agricultural appropriation bill than of the bill which the Senator from Michigan has referred to. I am not opposing that bill. But why did not the Senator bring up that bill instead of the Post Office appropriation bill if the country is to go to pieces without that legislation?

It seems to me to be unfair that just as soon as this measure, which affects the farmers throughout the entire country, is sought to be called up, we always find that some other measure is said to be more important. I do not believe that claim is proved. The time may come when the railroads who are now so poor, and who confess to this poverty-stricken condition, will have nothing to haul; they will have no tonnage. If we can not make conditions such that the people in the grain States and in the other sections of the country are able to carry on farming, it seems to me that the losses to the railroads will be greater from that cause than from the cause to which the Senator has called attention, because his bill only involves \$350,000,000. Mr. President, that is not a drop in the bucket to be compared with the tremendous amount of freight, and the money involved in this bill.

It is true that the bill does not carry as large an appropriation as the bill now sought to be brought up by the Senator from Michigan, but the value of business which will be transacted through the operations of this bill amounts to many times more than the amount of money involved in the bill referred to by the Senator from Michigan.

I want for a few moments to take the time of the Senate to read a communication which I received this morning from a farmer in South Dakota, just to show the conditions throughout that section of the country. This letter is dated Britton, S. Dak., February 16, 1921, is addressed to me, and reads:

BRITTON, S. DAK., February 16, 1921.

HON. A. J. GRONNA,
United States Senate Chamber,
Washington, D. C.

DEAR SIR: Probably the most widely discussed topic now engaging the attention of the public here in the West at the present moment is the farming problem, particularly as it relates to the marketing of wheat and its price movements.

The writer, by reason of years experience in the flour milling and grain shipping business, subsequent close contact with farm conditions here in northeastern South Dakota in connection with the real estate and farm-loan business—and himself owner of land farmed by tenants—feels qualified to analyze the situation which now confronts the American wheat grower; and in pursuance of such a purpose has prepared an article, copy of which is inclosed herewith, in which the aim of the writer is to depict the actual conditions under which the wheat grower is laboring, to point out a few of the glaring inconsistencies in the wheat trade and otherwise which handicap his progress, and to suggest a tentative plan, subject to amplification, as a remedy for the existing evils of our system of distribution.

As the writer is aware that you are vitally concerned in betterment of farm conditions, both from the standpoint of a farmer yourself, and by reason of your honorable position on the Agricultural Committee of the Senate, this article is being submitted for your consideration in the hope that some portion of it, or an idea expressed therein, may serve a practical use or purpose at such times when the question is under con-

sideration by your committee, or is being discussed on the floor of the Senate.

Trusting that time is near at hand when the estate of the wheat grower shall be elevated to a plane where chance in the matter of value of his product is eliminated, I beg to remain,

Yours, very truly,

FREDERIC J. BROWN.

Mr. Brown has submitted an estimate, which I ask to be permitted to read, because it bears directly upon the question which I called attention to, namely, the necessity of passing the Agricultural appropriation bill in order that the amount provided for in the bill, namely, \$5,000,000, shall be appropriated and loaned to farmers in small amounts not to exceed \$300 to any one farmer to purchase seed grain. That very thing was done two years ago, when the people in western Kansas, in a portion of Montana, and, I believe, in a few instances in the western part of my State, availed themselves of the opportunity of getting seed from the Government, or through the credit of the Government.

Mr. President, nearly all those loans have been paid back to the Government. It was not a subsidy to the farmer, as the bill of the Senator from Michigan now proposes a subsidy to the railroads. It was not taken out of the Treasury and given to the farmer, but it was paid back with interest. That is possibly why it is more important to pass the Senator's bill.

This estimate does not refer to my own State, but to conditions in the splendid, rich agricultural State of South Dakota, our neighbor to the south, a State which, in part, I had the honor when a young man to represent when it was a Territory.

This estimate is entitled:

Wheat, the lifeblood of the nations, the "handball" of commerce, the enigma of the farmer—A problem in political economy, on the proper solution of which depends the stability of America's most vital industry. By Frederic J. Brown.

If this were an old document I might apologize for reading it, but it is so new, so fresh, that the ink has hardly had time to dry on the paper. It is a living issue before the country.

I read from Mr. Brown's paper:

The problem is stated:

Assuming the case of a young man having a wife and small family settled upon an improved and fully cultivated half section of land in Marshall County, S. Dak., and engaged in raising small grains exclusively—primarily wheat, rotating alternately with a combination of oats, barley, and flax, it is proposed to show the cost of producing a bushel of wheat for the season of 1920, based on the market value—September 15, 1920—of the other grains produced on this farm, thrashing having been completed in this case on August 30, 1920.

It should be borne in mind that this young man belongs strictly to the wheat-raising class of farmer, has up until now made no attempt at diversified farming or the production on a commercial scale of beef cattle or finished hogs, nor is he engaged in pure-bred stock raising. Such would be aside the purpose of this cost survey, which, as stated, is to arrive at the cost of wheat when raised as the staple crop. What may be its cost under the varying conditions of farming where other lines are specialized in will not be here considered. In fact, the writer is free to admit that to enter upon a cost analysis of wheat when raised as a minor crop and involved with the production cost of pork, beef, and mutton on the hoof, together with butter fat, poultry, eggs, corn, potatoes, flaxseed and the like, without statistics applicable to local conditions, would be like trying "to sail a vessel on an uncharted sea"; that is to say, the question of wheat cost under conditions that obtain on many of our present-day farms is by far too complex a problem to admit of analysis without reference to and study of reliable data covering a period of three to five years under the conditions here prevailing.

But to return to the question: Our young farmer is the owner of 320 acres of land, fenced, improved with a fairly complete set of farm buildings, and an artesian well. It is not fully paid for, yet his equity therein is substantial, and with energy and thrift in his favor—and the elements favoring—he will eventually pay off the mortgage and thereby reduce his fixed charges. His equipment consists of eight good work horses and a full set of farming tools adequate to farm the acreage under plow. Also he enters upon the season of farming with a supply of required seed grain to sow the allotted fields, and with a stock of feed and hay sufficient to carry him through the harvest.

The value of his land is fixed for the accounting period by the sale within the 12 months of an adjoining quarter section of bare land—same quality of soil and equal in fertility—at \$75 per acre—half cash, balance at 7 per cent interest.

The area of this farm is practically all under plow, save only 15 acres for building site, yard, garden plot, feed lots, and hog pasture; and the fields were sown this year: Oats, 40 acres; barley, 80 acres; flax, 30 acres; wheat (Pearson durum), 155 acres.

The season was exceptionally favorable to the growth of the straw; but as time for maturity approached, excessive hot weather prevented the heads attaining full growth, thus reducing the promised yield of wheat by one-third to a half. However, his oats made 40 bushels average yield; barley, 28 bushels; flax, 15 bushels, while the wheat yielded a 14-bushel average—the latter being of the amber durum grade.

Let me say that that is not a small yield in the spring-wheat area and it will be found upon close examination of the statistics that it is a fairly good average crop.

The quality of his wheat was good, showed a test weight of 59½ pounds per bushel, docked 4 per cent, and on September 1—the day he finished thrashing—the local grain buyer offered him 3 cents over card price, or \$2.20 per bushel.

As our farmer had to help a neighbor with his thrashing, he concluded to let his grain lay in the elevator, at least for the period of free storage. Promptly then, on September 15, he came to town to cash in on his crop and to settle up running accounts. In the interim, grain prices had "bulged" a little, so that he was enabled to cash in at \$2.25 for his durum, \$2.89 for his flaxseed, 78 cents for his barley, and 47 cents for his oats.

I will say that these prices are at least 40 per cent higher than the prevailing prices to-day for the same grain and seed.

Having paid up all of his local bills and paid interest on his notes at the bank, also a payment on principal (of bank loans), he is now ready to cast up his account of the season's work, which, to summarize, is as follows:

Cost sheet.

[An exhibit of investment and expenditures required in production of durum wheat on the average Marshall County, S. Dak., farm, under conditions prevailing in 1920, and based upon market values of Sept. 15, 1920, on all other grains raised on the same farm in the same season.]

INVESTMENT.		CAPITAL.	
Cost of land: 320 acres, at \$75-----	\$24,000.00	Loan from rural credit board—First mortgage-----	\$10,000.00
Artesian well-----	750.00	Loan—Balance of purchase price—Second mortgage-----	6,000.00
Fencing-----	750.00	Temporary loans from bank on chattel security-----	4,000.00
Set of farm buildings-----	10,000.00	Proprietor's equity-----	21,500.00
(Investment per acre, \$110)-----	35,500.00		
Equipment:			
8 work horses, at \$125-----	\$1,000		
4 sets harness-----	400		
Farming machinery-----	1,600		
4 wagons, haying tools, and manure spreader-----	1,500		
Seed supply, carried from year to year-----	800		
Feed and hay, average stock on hand-----	700		
	6,000.00		
	41,500.00		41,500.00

Now, let us observe the income for 1920 and the cost account:

1920 income and cost account.

INCOME.		ANNUAL FIXED CHARGES.	
Proceeds of 1920 grain crop (land was cropped as follows, 15 acres being utilized for building site, etc.):		Interest:	
Oats—40 acres; yield, 1,600 bushels; retained for seed and feed, 1,300 bushels; sold, 300 bushels, at 47 cents-----	\$141.00	First mortgage, \$10,000, 7 per cent-----	\$700.00
Barley—80 acres; yield, 2,240 bushels; retained for seed, 160 bushels; sold, 2,080 bushels, at 78 cents-----	1,622.40	Second mortgage, \$6,000, 8 per cent-----	480.00
Flax—30 acres; yield, 450 bushels; dockage 10 per cent, 45 bushels; retained for seed, 25 bushels; sold, 380 bushels, at \$2.89-----	1,098.20	Bank loans, \$4,000, 10 per cent-----	400.00
Income, other than from wheat-----	2,861.60	Taxes:	
Wheat—155 acres; yield, 2,170 bushels No. 1 durum; dockage 4 per cent, 87 bushels; retained for seed, 200 bushels.		On real estate-----	\$380.00
Leaving the net production yield of wheat on this farm for 1920, 1,883 bushels, at an average cost per bushel of \$2.953.		On personal property-----	95.00
Costing to produce-----	5,567.40		475.00
		Fire and tornado insurance-----	50.00
		Depreciation:	
		On buildings, 3 per cent-----	300.00
		On horses, machinery, and tools, 16 per cent-----	675.00
		Total (annual overhead equal to \$10 per acre)-----	3,080.00
		OPERATING EXPENSES.	
		Rent of hay land, 32 acres, at \$3-----	96.00
		Blacksmithing-----	100.00
		Veterinary and horse service-----	75.00
		Repairs-----	225.00
		Labor:	
		Hired man, eight months-----	600.00
		Harvest help-----	75.00
		Board of men-----	250.00
		Binder twine, 500 pounds, at 18 cents-----	90.00
		Thrash bill:	
		2,620 bushels, at 28 cents-----	\$733.60
		3,840 bushels, at 16 cents-----	614.40
			1,348.00
		Amount chargeable to income for use of capital (farmer's net investment), at 6 per cent-----	1,290.00
		For supervising and labor by proprietor (part)-----	1,200.00
			8,429.00
	8,429.00		

I might say that the price for flaxseed mentioned in these figures is more than \$1 higher than the prevailing price for flaxseed.

I wish to assure the Senator from Michigan [Mr. TOWNSEND] that I am not talking against time. I wish to assure every Senator that I am not talking against time. But I have been in the Senate now for 10 years, and I have on several occasions made an honest effort to better conditions on the farm. The Senate has never seen fit to give to the farmer that to which the farmer is entitled. Questions affecting the farming industry are like Greek to most people, and the main reason is that they are not interested in the subject; but if we continue along the line we have been pursuing we may find ourselves in the condition that Rome was when that nation went to pieces simply because the people were unable to supply the necessary food. That is not an impossibility in this country, because conditions are being imposed under which it is impossible for the farmers to produce.

I am deeply interested in this question. I do not wish to refer to my State in any uncomplimentary way, but 36 banking institutions have closed their doors. Senators are calling attention to conditions which they claim are bringing about the ruin of the railroads, but if they will take the time to investigate the condition of the farmers they will find their situation such that any man who opposes helping the farmers and bringing them out of the chaos in which they now are will feel ashamed of his work.

I know the conditions in the United States, not only in my State but in every State in the Union. As chairman of the Committee on Agriculture, it has been my business and my duty to make an examination of those conditions. I know the con-

ditions in the South, and while I know that many Senators on the other side are interested in the other bill, because purchases have been made, as the Senator from Michigan has said, and those from whom the purchases have been made want their bills paid, let me tell them that the real interest of the people of the South in the Agricultural appropriation bill is a hundred times greater than is their interest in the railroad bill.

It worries me somewhat, Mr. President, when a Senator gently and kindly suggests to me that I am talking against time when he does not even do me the honor to listen to the poor words which I am uttering. Of course, we in the West feel the situation more keenly perhaps than do the people in any other section, but it is also being felt in the South. If the Senators from that section will return to their homes, they will find that nine-tenths of their people will say, "You are not trying to help us in the present deplorable condition." That is what they will tell you; and yet I have it suggested to me when I am addressing myself to a question greater than that affecting all the railroads with all their property thrown in that I talking against time; it is not true.

Monday, February 21, 1921.

Mr. GRONNA. Mr. President, I hope that I may have the attention of every Senator, as I shall take only a very few minutes to present the conditions among the farmers of the drought-stricken area of the West.

When the Senate took a recess on Saturday I was reading from a letter of Mr. Frederic J. Brown, of Britton, S. Dak., setting forth the conditions prevailing in the Northwest. I do not intend to read further from the letter. It is a long letter, and I shall simply ask to have it printed in the Record.

The VICE PRESIDENT. Without objection, it is so ordered. The letter referred to is as follows:

OBSERVATIONS.

The market price on No. 1 durum wheat at Britton on September 15, 1920 (the date of reckoning above cost), being \$2.25, the proceeds of this wheat crop amounted only to \$4,236.75—whereupon the account being closed, the net result of the farming operations in this case, for the year, showed a loss of \$1,330.65, thus depriving the farmer of any return on his investment, but leaving him \$1,159.35 for the farmer's own time and labor in conducting the farming operations.

Under the existing marketing system, this farmer was obliged to accept the price for his wheat paid by the local buyer, which, as we have seen, entailed a loss for the year of \$1,330.65. In turn, the price offered by the local buyer reflected the value of wheat at primary markets on the day of sale, September 15. In the determination of those values, which fluctuate wildly at times, and continually record variations, both wide and narrow, from day to day and from hour to hour, it does not appear the producer, or grower of wheat, at any time is taken into account, nor is there any consideration given as to how much or how little it cost to produce the grain.

True, there is a time between March 1 and August 1, when the new winter and spring wheat crops are in the making and indications point to a greater or lessened acreage and production of wheat above or below the 10-year average, that the price actually is affected by the position or course of the farmer as to the total area of farm land sown to wheat—if the same shows a variation from the preceding year of not less than and more than a half million acres sown to wheat. As to the factor of production (and yields), those are matters largely of climatic conditions and over which the farmer has no control.

Plainly, then, this fixing the value on wheat—the great staple food of the American people—by the traders in the commodity after it has passed from the producer's control is vicious, is inimical to the interests of the American farmer, and accounts for thousands upon thousands unprofitable ventures in wheat raising, not only in the past year but in preceding years as well. Going somewhat further into the economy now responsible for price making on wheat, all informed minds are obliged to admit that these market values for this commodity are to a very great extent, if not wholly, the concomitant effect (of trading in wheat futures, in the pits of our grain exchanges) of the relative value of two forces playing against each other. On one side are the elevator interests controlling line and terminal elevators and speculators who may on occasion see an advantage in buying futures in wheat, both aiming to boost prices to secure a profit on their lines or holdings. Opposed to them are the commercial millers and flour jobbers (selling futures as a hedge against their wheat and flour stocks) and the professional speculators, selling short upon the first sign of business depression or slackening of export demand or on crop reports, many of which are unreliable. To this class also belongs the exporter—all endeavoring to depress futures to secure profits on their short sales. The course of the futures markets being affected and influenced by a preponderance of selling orders—more sellers than buyers—the range of prices is downward, which is followed always by a corresponding decline in cash wheat prices.

It is just that very thing that is breaking the back of the wheat raiser, enslaved to the iniquitous system wherein the grain futures markets rule and dominates the cash-grain prices. A beautiful illustration of one phase of our economic system where "the tail wags the dog."

Of late there has been considerable discussion of the value and necessity of future trading in wheat, on one side; and on the other, of the evil effect thereof, some even advocating that short selling of wheat should be prohibited by law. Aside from the moral viewpoint of the question, the fact of the matter is the farmer, in the capacity of a producer, is not at all concerned in what happens to the pit trading of the grain exchanges, once the marketing system is reconstructed and founded upon a sound and rational basis.

Another distressing feature attending our marketing system is the practice of reselling wheat. It is not so much the weight of the original supply of wheat coming on to the market—that it is heavier than it should be in the months of September, October, and November, and which excess supply would be obviated under a regulated system—that breaks the market price, and at other times prevents the market advancing; but the constant reselling that is taking place, from first-hand to seventh and eighth hand. The shifting of wheat from country elevator to Minneapolis, then to Duluth or Chicago, then to Buffalo, then to New York, then to Philadelphia or Baltimore, then to the interior miller, then into export channels, means that that particular parcel has been sold and resold many times over and every such sale is a market price factor, and as such—at each stage of the process—directly competes against the producer's own supply. Manifestly it is unfair and unjust to place the producer of a staple and vital commodity in a position where upon entering the market with his product he must be assailed by supplies of a like kind held speculatively and which from the beginning to almost the end of every season hang as a saturated cloud over our grain markets.

If the scheme of trading and price movements now in use admirably reflects the working of the law of supply and demand, as so many of the supporters of our boards of trade do contend, it can not be denied that supply thereby is greatly magnified and that demand, especially during the first half of the crop year, is literally deluged by the paradoxical oversupply. The effect of such a condition is to adversely affect the producer by tending to depress prices during that period when fully 75 per cent of his commodity must be liquidated in meeting credit obligations.

Except for the facilities now at our command and which have accrued as a result of modern inventions as applied to transportation and communication, our present-day distribution of wheat and its products is less efficient and productive of greater economic waste than that practiced by the Egyptians in the days of the Pharaohs, away back at the starting point in history. Wheat then, as now, it seems, was one of the prime necessities for human existence. Joseph, the ruler, being a just man and devout, was inspired—possessed genius—to perceive that in the days of plenty wisdom and prudence required that stores of food be laid up against the day of famine. And further, the record informs us, he did build storehouses to store in all the cities great quantities of wheat—he gathered corn as the sand of the sea, very much, until he left numbering, for it was without number. So that when famine spread over the earth, as it inevitably does follow plenty as night follows day, the people from far and near, in searching for food, came to trade with the Egyptians for their wheat. Though Joseph had a monopoly of the visible supply of food of the then known world, history does not record

that the exchange rate was boosted as a result of the "corner," or that he added to the price of wheat all the traffic would stand. On the other hand, this was not an organized charity that the Egyptian ruler was conducting, for, howsoever the motive was founded on a beneficent purpose, we are obliged to accept the view that this garnering of the world wheat supply and the distribution thereof was conducted as a commercial enterprise and marked the inauguration of a commerce with the surrounding tribes, extending even to the tribes far to the north, and which eventually alleviated the suffering and distress of the widespread famine.

In the flight of the centuries following the epoch referred to it is not discoverable that the customs and manner of wheat trading have made any progress, and the only variation in our modern system that is discernible is chiefly in this respect: Accretions in the way of practices and abuses that may be summed up as a cycle of evils originating, emanating, and descending from the days and times and manners of the free-booter, the buccaneer, and the pirate.

Instead of the fictitious values placed on cash wheat from time to time, resulting in market rigging, manipulated markets, and the minute-to-minute variations in price of the futures, causing price fluctuations of the commodity in the course of 24 hours, amounting in instances to 10 per cent of its value, such price changes often being due or ascribed to causes wholly outside the wheat and flour trade, the farmer now is demanding the privilege of dealing in, for, and with his commodity on an equitable, rational, and legitimate basis. The cardinal point of that idea and plan is a single basic price, that for spot wheat, the actual commodity itself, and not for the options on that grain or what it may be worth for future delivery. As to the relative value of so-called December, March, or May wheat as now traded in on the exchanges, that is a matter entirely in the realm of speculation, will be operated and patronized by that element within and without the grain and milling trades which insists upon being accorded the privilege of placing its money on a "play with chance," and in which the farmer, in his capacity as producer, is not at all interested or concerned.

Naturally, this basic-price idea contemplates and would approximate the minimum cost of production of wheat as raised under ordinary farm methods in the heavy wheat-producing areas plus certain arbitrary charges adequate to place the grain in storage at seaboard, lake port, or milling centers, and for storage and interest charges accruing from and after September 1 down to July 1 succeeding, according to when delivery to miller or exporter is made.

No one seriously contends that American manufacturers of grain binders, grain drills, and plows under normal conditions sell their machines in Russia, Argentina, or Australia at prices which, when freights, commissions, and selling costs are deducted, constitute the price plus freight on identical machines sold to American farmers or that those export sales at all times reflect the full cost of manufacturing. If that were the case—no differential as applied to the home market—it is pretty safe to say that either labor and other costs would have to be cut nearly to the European level or all of our factories in those lines inside of one or two years close down or go into the hands of receivers. Instead what actually does transpire is this: The farmer pays for his machinery the manufacturer's price, and that price invariably includes cost of manufacture plus a profit, with the addition of an excess or reserve through and by which the manufacturer is enabled to dispose of his surplus output—the overproduction beyond the home demand—in foreign markets in competition with machinery and goods built and produced on lower cost bases. Hence it is an established policy that goods and, generally, commodities supplied to the American trade are sold outright on a cost-plus basis, while the exportable surplus only is consigned for sale at world-market or bidder's prices, a notable exception being the case of the wheat of the American farmer.

It is manifest to anyone making a study of the situation that if our farming industry is ever to be lifted from its present low estate, and if for the future that great basic industry is to be put on a plane with our great manufacturing and mercantile enterprises and be conducted along sound, economic lines, the present marketing and credit systems governing the production and sale of wheat must be discarded and a wholly different conception thereof adopted. In its stead and place one of two alternatives must follow: Either the Government must take over and work out the problem of distribution of wheat, as was done during the war, or the wheat growers themselves must combine and pool their commodity under a charter from Congress. The latter plan would contemplate the formation of a national merchandising agency under the supervision of a Government commission or under direction of the Department of Agriculture. Its scope would be to serve as the medium between the producer or the local cooperative elevator companies and the millers and exporters, and in pursuance of that purpose would acquire by lease or purchase existing terminal storage facilities in so far as they are necessary and modern from the standpoint of utility. The capital stock would be underwritten by the farmers on a basis of their acreage production of wheat, it being required that upward of 50 per cent of the annual acreage sown to wheat be represented by stock subscriptions before effecting organization. The plan would provide that no wheat be purchased from members when same is delivered, except upon demand, and then at export level, with handling charges deducted. That wheat be sold and delivered only into direct channels of consumption, viz, to millers, food manufacturers, feed merchants, and to exporters. Settlement with members for wheat delivered would be in the order of delivery, upon sale and delivery being made by the corporation to the trade, less whatever cash had been advanced to a member while his wheat lay in store.

The regulation of the selling price of wheat would be identical with that in any other branch of commerce of international scope. Such procedure would be analogous to the following method: From statistics available, let it be ascertained what is the exact proportion of the several outlets for wheat for the last preceding year and for the average of the last three preceding years. Approximately, and for the purpose of illustration, the relative figures of distribution are as follows: Out of every 8 bushels of wheat raised in the United States 1 bushel is retained on farms for seed, 5 bushels enter into domestic consumption, leaving a surplus of 2 bushels to be sold in foreign markets. Under our present system it is the value of the 2 bushels sold in export trade that controls and establishes the price on the 8 bushels, which, in a figurative sense, is our entire supply. But is there any reason under heaven why that principle should continue to govern our domestic prices, aside from the force of long-established custom, which originated under vastly different conditions than now confront the farming industry? To revert to the illustration: The 1 bushel seed requirement may be safely eliminated as a factor entering into the selling price of wheat. We then have to consider the pro-

portion exported, 2 bushels, and the domestic proportion, or 5 bushels, and find the ratio there is 1 to 2½. Average production cost on farms can be determined for each season by September 1, and that cost, or base, would continue in effect for the ensuing 12 months, augmented month by month by carrying charges, commencing September 1. Then adding average freight to seaboard, elevating and cleaning charges, overhead charges, and profit to determine the seaboard base. Now, assuming our seaboard base is \$2.60 per bushel and our export sales of wheat for a prescribed period of two weeks or four weeks average \$2.40 per bushel at seaboard, then under our tentative formula the price of wheat to our domestic trade for a succeeding like period would have to be fixed at \$2.68 per bushel at seaboard. Naturally there are other factors that affect the spread between export and domestic prices, and they would be given due value in determining prices for wheat sold to the domestic trade.

Here the question arises why should the American consumer thus pay tribute, or a tax, for the benefit of the farming industry? Is it not true that that same principle is invoked when we levy a protective tariff on our imports whereby our consumers are restrained from buying the cheaper foreign goods—except the tax thereon be paid—for the benefit of our manufacturing industries? Also, is it not a fact that labor is entrenched behind its trade-unions, with their collective bargaining, fixing their own wage scales and hours of labor per day, to which all employers, including the farmer, must submit and so pay a higher wage cost than if labor were unbound? In both cases cited our experience has proven that they are the concomitants of economic verities and are essential to the welfare of our industries and to the dignity of American labor. With equal force the same principle should be recognized and applied to the distribution of wheat—the prima food necessity of the white race—for the upbuilding of our American farm industry.

In the process of price deflation now going on in our country much superficial talk is going the rounds to the effect that manufacturers, jobbers, and retailers have taken their losses on shrunken inventories, and that therefore the farmer in this crisis should gracefully accept his loss as his quota of common fate. On the floor of the United States Senate, a Member is quoted as saying that losses of other lines of trade were equally as important as those of the farmer, and if the farmer was given a measure of relief, why not pension the unemployed. All such twaddle sounds fine and makes a hit with the unthinking. But pray when, in the past eight years, was there a year when the wheat raiser has not taken a loss from raising wheat, save and except the years 1915 and 1918, when, particularly in the latter year, wheat production reached the grand average of 15.6 bushels per acre throughout the United States, and prices of that year permitted cost and a profit to be realized on the basis of that year's yield.

The plain facts are that the farmer by practicing strictest economies in manner of living, with no indulgence in luxuries common to the middle class in other vocations, and by engaging in a multiplicity of operations all within the confines of his own domain has succeeded at all in adding any increase to his invested capital; but not in all that period has such increase resulted from or could be attributed directly to a profit from raising wheat excepting in the two years mentioned.

Mr. GRONNA. On yesterday a representative from my State arrived in this city having credentials showing his appointment by the Legislature of North Dakota—the legislature now being in session—to present certain data with reference to the conditions in my State. I wish to say that the same conditions exist in the dry area in the State of Montana and in the western portion of the State of South Dakota. In order not to delay the Senate, I will merely state that the State administration of North Dakota has taken action and made a survey of the entire State. The commissioner of agriculture and forestry has taken up the matter with the officers of the various counties, namely, the county commissioners and the county auditors. I have a report covering the entire State showing that out of the 53 counties in my State that there are 35 counties where the farmers need aid in order to enable them to put in this year's crops. There are 53 counties in the State, and 18 counties are found not to be in need of aid. I do not say that all the farmers in the 35 counties need aid, but I have the exact number of farmers who do. There are 8,533 farmers who must have aid if they are to put in a crop this year at all, because the banks of the State are unable to give them further credit and the counties are bonded to the limit and are unable to extend any further aid.

I have here an estimate—and, of course, it is only an estimate—of the amount of money which will be required based upon this number of 8,533. I wish to say that the price for the grain seems to be a reasonable price. It is estimated that there will be required 675,000 bushels of seed wheat, at \$1.65 a bushel, amounting to \$1,084,075; 118,850 bushels of barley, at 60 cents a bushel, amounting to \$71,310; 32,750 bushels of flax, at \$2 per bushel, amounting to \$65,500; 1,200 bushels of rye, at \$1.30 per bushel, amounting to \$1,560; and, together with other grain, the total estimate is \$1,787,042.

Mr. POMERENE. May I ask the Senator a question?

Mr. GRONNA. If the Senator will permit me to complete the statement, I shall then gladly yield to him.

I have made an estimate as to what other States will require. It may not be absolutely correct, but I believe the State of Montana will require at least two and a quarter million dollars, the State of North Dakota will require one and three-quarter million dollars, and the State of South Dakota will require at least one million dollars to help out in this great emergency.

Mr. President, this is no guesswork. I have letters from all the counties in the State, which, of course, I shall not take time to read, but I wish to be permitted to read just one of them. Bottineau County, which a few years ago was the banner county

of the State, now needs Federal aid. The Senator from Wisconsin [Mr. LA FOLLETTE] asks me when do the farmers put in the crops? Unless this measure can be passed very soon it will be too late for those people to put in their crops, because it will take some time for the Secretary of Agriculture to make the necessary arrangements with the county authorities to distribute the funds to provide for the purchase of the seed necessary for seed grain. The letter to which I have referred is as follows:

BOTTINEAU COUNTY,
Bottineau, N. Dak., February 17, 1921.

Senator A. J. GRONNA,
Washington, D. C.

DEAR SIR: On investigation our board of county commissioners find that a larger number of farmers need aid than at first supposed, 340 having asked for aid inside of one week. We estimate that the total number needing aid will be at least 600.

The situation will be desperate if we do not get Federal aid, as the banks are not in a position to loan a dollar. Aid must come from somewhere outside the State or thousands of farms in the spring-wheat belt will lay idle this season. Failure to raise a crop will send thousands of farmers out of the Northwest this coming season never to return.

On receipt of this, please wire me what the present prospect is of the bill going through that will give us aid. I ask this at the request of the chairman of our board.

Would wire you for this information, but the blizzard yesterday put the wires out of commission, and I can't get a message out for a day or so.

Hoping to hear from you favorably, I am,
Very truly,

WM. M. MARTIN,
County Auditor.

That is only a sample of the letters which I have received from the other counties of the State. Now I yield to the Senator from Ohio.

Mr. POMERENE. Mr. President, the question I had in mind to ask the Senator from North Dakota was suggested by the figures which he gave out. He had stated certain estimates of the amount of wheat and flax and barley seed which would be needed. The question I intended to ask then was whether or not the estimate came from the Agricultural Department or what was the source from which the Senator gleaned the information?

Mr. GRONNA. The information comes from the agricultural department of the State of North Dakota, from our commissioner of agriculture and forestry. A representative was appointed by him, who came here yesterday morning and brought me these data. The name of this gentleman is M. O. Hall, of Mohall, N. Dak.

I have taken the matter up with the Agricultural Department, I will say to the Senator, and the Agricultural Department, of course, is favorable to it. I have the Secretary's letter, but I do not wish to take up the time of the Senate to read it now. I will only say that the Secretary states that it is for the Congress to take such action as it sees fit, but he also states that he knows an emergency exists and that something ought to be done to relieve the situation.

Mr. President, it is not a pleasant duty for a Representative from any State to acknowledge that his people are in such financial embarrassment as is here indicated; but this is the true condition, and unless aid is extended in the form of a loan, thousands of farmers will have to leave their farms.

I might add that the Government of Canada has men throughout the Northwest who are encouraging people to come to Canada, and statements have been made to them that the Government of Canada will not only furnish them seed but help them to purchase live stock. It seems to me that the Government of the United States ought to be willing to extend its credit to the extent of \$5,000,000 to these poverty-stricken people.

Senators will all remember that two years ago the Senator from Kansas [Mr. CURTIS] and other Senators were interested in an exactly similar question. The western portion of Kansas at that time had suffered a number of crop failures. A loan was made to those farmers; and I wish to ask the Senator from Kansas if it is not true that practically all of that loan has been paid back into the Treasury of the United States?

Mr. CURTIS. Mr. President, in reply to the question of the Senator from North Dakota, I will say that I presented the data at the last session of Congress, and my recollection is that the contributions of those who produced over 15 bushels of grain to the acre practically made up the loss of those who produced less than 5 bushels to the acre. This was true in the division in which Kansas and Oklahoma were located. I did not have the data for the other districts.

Mr. GRONNA. Mr. President, that is as I understand it. All we ask for here is a loan of \$5,000,000 to go to this vast area. In some counties the farmers have had a failure for the last five years.

Mr. President, if there is any other question that any Senator wishes to ask me, I am perfectly willing and glad to give any

information that I can, as I have a great deal of data here before me and a great many letters. In order to expedite the matter, however, I shall not take any more time of the Senate this morning, but simply ask for a vote upon my motion to take up the Agricultural appropriation bill.

The VICE PRESIDENT. The question is on the motion of the Senator from North Dakota.

Mr. TOWNSEND. On that I ask for the yeas and nays.

Mr. MYERS. Mr. President, I understand that there is a contest about which measure shall be taken up first—the Agricultural appropriation bill or the railroad indemnity bill. I know that both bills are very important, and I am in favor of the Senate remaining in continuous session until both the bills shall have been passed this week.

The VICE PRESIDENT. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. CURTIS (when his name was called). On this vote I am paired with the Senator from Texas [Mr. CULBERSON]. In his absence, I withhold my vote.

Mr. FERNALD (when his name was called). I have a general pair with the junior Senator from South Dakota [Mr. JOHNSON]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

The roll call was concluded.

Mr. OVERMAN (after having voted in the affirmative). I observe that my pair, the senior Senator from Wyoming [Mr. WARREN], is absent. Not being able to obtain a transfer, I withdraw my vote.

Mr. TOWNSEND (after having voted in the negative). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON], which I transfer to the junior Senator from New Hampshire [Mr. KEYES], and will let my vote stand.

Mr. WATSON (after having voted in the negative). My general pair, the senior Senator from Delaware [Mr. WOLCOTT], is absent, but I am informed that if present he would vote as I have voted. Therefore I will permit my vote to stand.

Mr. HENDERSON. Has the junior Senator from Illinois [Mr. MCCORMICK] voted?

The VICE PRESIDENT. He has not.

Mr. HENDERSON. Announcing my pair with that Senator, I transfer it to the Senator from Nebraska [Mr. HITCHCOCK] and will vote. I vote "yea."

Mr. GLASS. I have a general pair with the senior Senator from Illinois [Mr. SHERMAN], which I transfer to the junior Senator from Massachusetts [Mr. WALSH] and will vote. I vote "yea."

Mr. HARRISON (after having voted in the affirmative). I find that I have a pair for the day with the junior Senator from West Virginia [Mr. ELKINS], and, as I am unable to obtain a transfer, I withdraw my vote.

Mr. KENDRICK (after having voted in the affirmative). Has the Senator from New Mexico [Mr. FALL] voted?

The VICE PRESIDENT. He has not.

Mr. KENDRICK. I have a pair with that Senator. In his absence, I am obliged to withdraw my vote.

Mr. POMERENE. I have a general pair temporarily with the senior Senator from Iowa [Mr. CUMMINS]. I transfer that pair to the junior Senator from Utah [Mr. KING] and will vote. I vote "nay."

Mr. SMOOT. I have been requested to announce that the Senator from Pennsylvania [Mr. PENROSE] is paired with the Senator from Mississippi [Mr. WILLIAMS].

The result was announced—yeas 35, nays 36, as follows:

YEAS—35.

Ashurst	Gore	La Follette	Sheppard
Borah	Gronna	Lenroot	Simmons
Capper	Harris	McCumber	Smith, S. C.
Chamberlain	Hedlin	McKellar	Sterling
Fletcher	Henderson	McNary	Swanson
France	Johnson, Calif.	Norris	Thomas
Gay	Jones, N. Mex.	Phelan	Tammell
Glass	Kenyon	Pittman	Walsh, Mont.
Gooding	Kirby	Ransdell	

NAYS—36.

Ball	Gerry	Nelson	Smoot
Beckham	Hale	New	Spencer
Brandageo	Jones, Wash.	Phipps	Stanley
Calder	Kellogg	Pointexter	Sutherland
Colt	Knox	Pomerene	Townsend
Dial	Lodge	Reed	Underwood
Dillingham	McLean	Shields	Wadsworth
Fernald	Moses	Smith, Ga.	Watson
Frelinghuysen	Myers	Smith, Md.	Willis

NOT VOTING—25.

Culbertson	Edge	Harrison	Kendrick
Cummins	Elkins	Hitchcock	Keyes
Curtis	Fall	Johnson, S. Dak.	King

McCormick	Page	Smith, Ariz.	Wolcott
Newberry	Penrose	Walsh, Mass.	
Overman	Robinson	Warren	
Owen	Sherman	Williams	

So Mr. GRONNA's motion was rejected.

PAYMENTS DUE RAILROAD COMPANIES.

Mr. TOWNSEND. Mr. President, I move that the Senate proceed to the consideration of the so-called partial payment bill to the railroads, being the bill (H. R. 15836) to amend the transportation act, 1920.

Mr. GRONNA. Mr. President, in view of the action taken by the Senate, I hope I may have the unanimous consent of the Senate to pass as a separate measure the item carried in the Agricultural appropriation bill providing for a \$5,000,000 appropriation. By a unanimous vote I was authorized by the Committee on Agriculture and Forestry to report out the bill, and also to insert the provision in the agricultural appropriation bill. I desire to be permitted to have the bill read at the desk. I do not think it will take any time at all.

Mr. TOWNSEND. Mr. President, I should like to have my motion put, and then, after the motion has been agreed to and while the bill is pending, I shall be willing to listen to what the Senator has to say. I have no disposition at all to delay any of the business of the Senate, and I do not propose that anything I shall do, or anything done by any other Senator, in so far as I can prevent it, shall delay matters, because I am just as much in favor of passing the Agricultural appropriation bill as is the Senator from North Dakota, and we are going to pass it. My object in moving to take up this bill was stated the other day, and stated in good faith.

Mr. GRONNA. I will say to the Senator from Michigan that what I am asking can be done only by unanimous consent.

Mr. TOWNSEND. Let us get the partial payment bill before the Senate. I should like to have a vote on that proposition, and then I shall be willing to yield for unanimous consent if there is no objection to the Senator's request.

The VICE PRESIDENT. The motion of the Senator from Michigan, of course, is the motion that is in order now.

Mr. TOWNSEND. Yes; that is what I understand.

The VICE PRESIDENT. The question is on the motion of the Senator from Michigan.

THE PATENT OFFICE—CONFERENCE REPORT.

Mr. NORRIS. Mr. President, I understand that that is a debatable question, and before the vote is taken I wish to say just a few words.

I have not been able to give to the bill that the Senator from Michigan has moved to take up the attention that I admit it deserves for the purpose of reaching a conclusion as to my own vote. I do not know now whether I shall vote for the bill or against it. I may not be able to be here when it is voted on; but I might say that for the reasons that I have stated, and that I shall give, I intend to vote against the motion, although it is perfectly apparent that it will prevail, because the Senate has just voted down a motion to take up an appropriation bill.

I have heretofore called the attention of the Senate to a conference report that is before the Senate on H. R. 11984, the bill providing for the reorganization of the Patent Office, to increase the force and the salaries of the employees of the Patent Office. The Patent Office is in a state of collapse right now. It is in a deplorable condition. The Patent Office bill has been under consideration by the Patent Committees of the House and the Senate for nearly a year. In all respects, until we reached the conference report, the action of the two committees was unanimous.

I realized a day or two after the conference report was made to the Senate that there was to be a filibuster against the conference report. It is very likely, perhaps probable, that the forces against it will defeat the conference report. It has been acted on by the House and approved by them.

I voted with the Senator from Michigan [Mr. TOWNSEND] to take up the Post Office appropriation bill. I was one of the Senators who believed from the beginning that we ought to clear the decks of the appropriation bills. The Senator from Michigan finally succeeded in getting up the Post Office appropriation bill, and it has been disposed of. I voted to-day to take up the Agricultural appropriation bill. The Senate has decided not to take it up. It has seemed to me, Mr. President, that in all fairness the Senate ought to vote on the conference report on House bill 11984, the Patent Office bill.

I do not ask, and can not be expected to ask, that the conference report be approved, but I have a right, in all fairness, it seems to me, to ask that it be voted on. I have said before, and I repeat now, I am willing, if a time can be fixed for voting on it, that those who are opposed to it may fix the time. I

am willing to vote on it without any argument whatever. I am willing to do anything which will bring about a decision of the question. It means a great deal to the Patent Office. Now, it seems that the Senator from Michigan, on the question of getting appropriation bills out of the way, has changed his mind.

Mr. TOWNSEND. Mr. President, I am sorry the Senator was not here last Saturday evening.

Mr. NORRIS. I am sorry too. I was not able to be here.

Mr. TOWNSEND. I explained my attitude fully on that question. I have been in favor of taking up appropriation bills. I was very much opposed to the wasting of the time of the Senate for days and weeks in the consideration of a bill which I knew, and everybody knew, was vain.

Mr. NORRIS. I agree with the Senator entirely.

Mr. TOWNSEND. Now, we have reached a point in the consideration of the legislative business of the Senate when the bill which I have moved to take up now must be acted upon promptly, the great majority of Senators feeling as I do about it, that it is necessary that it should be enacted now, if we are to get it on the statute books.

I have thought, too, to ask the Senate to remain in session, not only for the purpose of getting action on the conference report the Senator has in charge, but on any other measure which should be enacted, and if necessary to remain in continuous session. I am for that policy; but I have felt that this railroad bill ought to be taken up, because a large majority of the Senate are in favor of it, as was a large majority of the House, which has passed it. So I thought that if we got it before the Senate, those who felt they wanted to make long speeches upon the subject should be given an opportunity to do it, in order that we could pass it possibly by to-morrow night.

Mr. NORRIS. Mr. President, I am not finding fault with anything the Senator from Michigan has said. I do not know as to the merits of that particular bill, but I know that what he said, he said in good faith, and I am not complaining about it at all. But there has always been, I think, a justifiable feeling that when a bill has progressed so far that it has reached the stage of a conference report, it ought to be passed on. In the House of Representatives the motion to take up a conference report is a privileged motion; but it is not in the Senate. When a Senator says that he wants to take a conference report up, under ordinary circumstances that is done. This particular case is rather an exception to that rule.

All Senators have a general knowledge of most of the bills, but they have not so much of a detailed knowledge of the Patent Office bill. To some extent it is technical. The Committee on Patents of the Senate were unanimous in reporting the bill to the Senate practically in the form in which it now is. Since that time one of the members of the committee, who was one of the conferees, has changed his mind, so that the conferees agreed 5 to 1 on this report. If I were not able to be here, the Senator from Pennsylvania [Mr. Knox] would perhaps be the only Member on this side of the Chamber who could take charge of the conference report, and if he felt that he was sufficiently familiar with the details of it, I would not care if it were taken up and debated as long as anyone wanted to debate it. But I think he feels that because of the greater time I have given to it, I ought to be here, and I realize that I should be here. When it is said that it will be taken up and continued from day to day, in this particular case, as far as I am concerned, it does not mean very much, because I can not be here every day, and if I knew when the vote was coming, I would arrange, if I could, to be here to vote.

I only appeal to the Senate that between now and the 4th of March there shall be a vote on this conference report. I am willing now, and I have been all the time, to agree that the vote should be taken on the 3d day of March or any other time between this and that. I do not believe we ought to take up the railroad bill when this conference report is ready to be taken up, as it has been for some time. I realize it would be useless to take it up after this bill is laid before the Senate.

So I feel that I am justified in breaking the policy of letting appropriation bills have their way all the time, since the Senate has refused to take up an appropriation bill for the purpose of taking up a bill that is not an appropriation bill.

Mr. SMOOT. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. I yield.

Mr. SMOOT. I want to say to the Senator that if he will recall the conference report and strike from it the old section 9, which is in the conference report section II, referring to the Federal Trade Commission accepting patents and virtually entering upon the patent business, I will not have an objection to the con-

ference report. If the Senator desires now to assist the Patent Office in getting the additional force and increased salaries and all they have been asking for, as far as I am personally concerned, if he will withdraw the conference report and the conferees will disagree to section 11 of the conference report, I shall not have any objection whatever to its passing immediately.

Mr. NORRIS. Mr. President, let me say a word in regard to section 9 of the bill and what in the conference report is section 11. It is a provision which when printed will not be much longer than a man's finger, and it provides that any employee of the Government having made an invention or obtained a patent can turn it over, if he desires, to the Federal Trade Commission.

The Federal Trade Commission is authorized to license corporations or individuals or partnerships to manufacture patents on the terms fixed in the license. The license fee is to be paid into the Treasury of the United States, and out of that sum so paid into the Treasury of the United States the President is authorized to give what, in his judgment, he thinks is a fair and proper compensation to the employee who made the invention.

It is not compulsory upon the part of the employee to turn it over. He can do it if he wants to, and need not do it if he does not want to. He can do what they do now, which means nothing, practically, on the part of the employees. If he desires to turn it over, the Federal Trade Commission can still refuse to accept it, if they think it would not be for the public benefit for them to do so. That, in substance, is the provision of section 11 in the conference report or section 9 in the bill.

Mr. President, in my judgment a great deal of good will come from that particular provision. Let me say, first, that a provision a little broader than I have stated it, and broader than that in the report, was passed as a separate bill in the Senate. That bill provided that any person, whether he was a Government employee or not, having such an invention, could turn it over, if he desired, and they desired to accept it. Later on, when this House bill was up for consideration in the Senate, I offered that amendment to the bill, a committee amendment. There was a unanimous report from the committee originally, when it was broader than it is now, after extensive hearings, and it was put into the bill, but narrowed down so that it applied only to employees of the Government. In that shape it went to conference. The conferees narrowed it still further, very properly, I think, by excluding from it the employees of the Patent Office. So that as it stands now it applies to employees of the Government excepting employees of the Patent Office.

Mr. JONES of Washington. Mr. President—

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. NORRIS. I yield.

Mr. JONES of Washington. While it does not strike me just right that the Federal Trade Commission should be permitted to take over patents, I want to ask the Senator if there is any provision in the bill under which, after it has taken a patent over, it can go to developing the patent. For instance, if it is a machine, is there anything that permits them to go to manufacturing it?

Mr. NORRIS. No; there is not.

Mr. JONES of Washington. Would it not have to come to Congress for appropriations and further authority before it could go into actual manufacture of a patent?

Mr. NORRIS. Yes. Mr. President, when the bill originally passed the House and came back, and that was offered as a committee amendment, that objection was made to it. The committee never had that idea. We did not believe that the language permitted it. But to show that we did not want to do anything of that kind ourselves, we struck out of the original bill the language which, it seemed to me and to other Senators, would raise the question at least whether it did give it. We struck that out, and we added an affirmative provision, which is now in the bill, which strictly provided that under no circumstances would anything herein give authority to them to manufacture a patent or go into the business in any way.

Mr. REED. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. REED. At the present moment Government employees have the same opportunity as the ordinary citizen to take out patents, have they not, outside of members of the Army and Navy?

Mr. NORRIS. Technically that is possibly true. Let me show what happens in that connection. The particular employees of whom the committee were thinking more than any others were those in the Bureau of Chemistry in the Department of Agriculture, in the Bureau of Mines, and the Bureau of Standards. Most of those men are wedded to their profes-

sions. They are scientists. In the Bureau of Chemistry, for example, an employee, we will say, discovers an improvement on existing conditions in some step in the manufacture of some article—fertilizer, for instance. Standing alone, it would not be a practical proposition, but must be used in connection with other things that are now used by those who manufacture fertilizer. These men do not care for the money, for, if they did, they would all resign from the Government service and all get increased compensation for their services in other fields. They are interested in having their improvements put into actual practice, and sometimes it comes about in that way.

But what happens? If they throw one of these open to the public, as they usually do, it may on the face of it be a laboratory proposition which will work out in the laboratory to perfection, but it is often found when they come to carry on the laboratory test in the commercial world and manufacture the product in commercial quantities that it does not work. It requires a great deal of experimentation and involves a great deal of expense. If it is open to the public, and some individual or corporation in the business expends the money, perhaps several hundred thousand dollars, in experimentation and in constructing the necessary machinery, and so forth, to manufacture it, and it works, it is open to their competitors to get the same advantage of it without expending any money. The result is that as a practical proposition a patent or an invention of that kind is not developed at all. Unless they will have some protection, a concern will not expend the money that is necessary to develop it.

If this particular proposition were a law, and the Federal Trade Commission were given the authority that is herein provided, they would protect the country and the people in it by proper license that would give to the person or the corporation that did develop it a monopoly, the same as a patent does, or a monopoly at least to the extent provided for in the license.

Mr. REED. Will the Senator yield again?

Mr. NORRIS. Certainly.

Mr. REED. I think that in asking the question a moment ago whether all employees of the Government except those in the Army and Navy could take out patents, I should have said all except the employees of the Patent Office.

I do not wish to prolong the debate, because there are bills here that ought to receive attention, but if the Senator will permit me just a moment I desire to say that every argument he has made with reference to the employees of the Government not being able to protect their patents or to have their patents tested out applies to every inventor in the country. He has exactly the same difficulty. He has the opportunity to take out a patent and the employees of the Government have the same opportunity. If the outsider, the ordinary citizen, takes out a patent which is a mere improvement, adopting the illustration of the Senator, then he has the same difficulty in having that improvement tested exactly as he would have, no greater and no less, if he happened to be an agent of the Government.

I wish to say this and then I shall not further interrupt the Senator. The bill will not go through at this session with section 11 in it if I can prevent it. I will not by my vote, so far as it counts, confer on the Federal Trade Commission any such authority as is here proposed. I will not, so far as my vote goes, confer this authority on the President. I am utterly dissatisfied, not to say disgusted, with the process of legislation which we adopted, perhaps not without reason, during the war, of Congress shifting all its burdens over on the President and saying that the President can do this or that or the other thing. If we propose to turn over to the President of the United States the details of looking after patents, it will not be very long until he will be required to examine nursing bottles and things of that kind. It is not his business and ought not to be imposed upon him.

I wish to see the Patent Office bill pass in so far as it permits payment of proper compensation to the men in the Patent Office, for I understand the pay there is very inadequate, at least as to certain of the experts whose services we need to retain; but I am not, so far as I am concerned, going to pay the price of putting the patent business into the hands of the Federal Trade Commission or into the hands of the President, and I am not, so far as I am concerned, going to adopt the principle of licensing by the Federal Government in this country, special licenses to special people, by a board as incompetent to pass upon patents as I am to pass upon music, and I could not to save my life whistle Yankee Doodle so that anyone could recognize it. The Federal Trade Commission has been a failure in everything it has undertaken except the mere collection of statistics, and we have to check those up.

Mr. NORRIS. Mr. President, the Senator makes one objection to the particular provision with which I agree. He does

not want to confer upon the employee of the Government a privilege that he does not confer upon the ordinary citizen. As I introduced the bill originally, and as it originally passed the Senate, it was not limited to employees of the Government but applied to everybody. If I had my way, it would be that way still, although if Senators would take the time to look it up they would find that 90 per cent of the business with which this would have to do would apply to employees of the Government, and particularly those three branches I have mentioned. If they do not want to do it, they are not compelled by the bill to do it. It is done with the idea of putting into practical use thousands of inventions and patents that go into pigeonholes of corporations and individuals that already have a monopoly of their particular line, or nearly so. That is the object of it.

Now, the Federal Trade Commission, a year or perhaps longer ago, when the first joint hearings were held by the two committees, was considered in this connection. We realized that there was a prejudice in the Senate on behalf of some Senators against the Federal Trade Commission. I do not share that prejudice. I think it is one of the best commissions and has done some of the best work of any of our bureaus, commissions, or departments of the Government. I do not share in that feeling of prejudice.

We said all the way through, "Who will take it? Where shall this power be lodged?" It was suggested originally, when the bill was first up for discussion, I think by the Senator from Utah [Mr. Smoot], that it ought to be given to the Secretary of the Interior. I would rather have it there than not have it at all; but everybody knows that in the various departments of the Government where these scientific bureaus exist there is a prejudice against other departments of the Government. If we put it in the control of the Secretary of the Interior there would be a certain prejudice existing in the Department of Agriculture from the Bureau of Chemistry, so it would not do to put it in either place. I have asked in the hearings where it could best be placed, and suggested that it go to various other places, and other members of the committee have done the same thing.

We did not care to place it in the Federal Trade Commission because of a desire to confer on the Federal Trade Commission more jurisdiction, but when we came to narrow it down it was found that there is no other place to put it unless we provided for a new and independent commission, which we did not think Congress wanted to do and which we did not want to do. The Federal Trade Commission is not under the jurisdiction of any department. It is under the jurisdiction of Congress. It is similar to the Interstate Commerce Commission, and everybody would concede that it ought not to go there.

Another thing. During the war, when we took over the German patents, this authority was by the trading with the enemy act lodged in the Federal Trade Commission, and they have had charge of that work from the time the act was passed until the work was completed, and have been successful in it. Those who have received licenses from them have, as far as I know, without any exception, testified to the efficiency that was manifested. It resulted in turning over to the Treasury in that short time fees of more than a million dollars.

Mr. REED. Were they not on foreign patents?

Mr. NORRIS. Yes; confined mostly to German dyestuffs.

Mr. REED. Approved foreign patents which our people had to use, and all they had to do was to select the one they wanted to use?

Mr. NORRIS. They had to do a little more.

The person to whom a license was issued had to do the experimenting that I have mentioned. Although they had before them the patent itself and everything pertaining to it, they often found it would not work when they endeavored to carry it out. The difference between success and failure might be in the mixing proposition, the difference between mixing at 200 revolutions a minute and 1,000 revolutions a minute. So there were a lot of experiments that had to be carried on. The licensees had to expend their money to do that, and I do not know that they succeeded even then in all cases. I am rather inclined to think that they did not. But there never was, so far as I have been able to discover, a single complaint made in the administration of that part of the trading with the enemy act by the Federal Trade Commission.

All that the Senator from Missouri has said or that anyone else can say does not do away with the proposition that the Senate ought to be permitted to vote on the proposition. If Senators think the conference report ought not to be agreed to, let it be voted down. If we had had a vote long ago when I had the matter up, there would have been plenty of opportunity for the conferees to get together and reach some agreement, but I have been blocked every place and every time I have tried to bring it up, not so much as to its consideration as to prevent a vote at all. In common justice that ought to take place, no

matter what Senators may think in regard to the merits of the measure.

Mr. President, it is not my purpose further to defend the Federal Trade Commission. If there were any other body in whom the power could be reposed where the objection would not apply, I should be glad to have that body selected. Let me call the attention of Senators now to the objection which was made by the Senator from Utah [Mr. SMOOT] and the Senator from Missouri [Mr. REED] and compare the objections made at the time we passed the bill with their present position. At the time we passed the bill with this amendment in it the objection made by the Senator from Utah and a few other Senators was practically confined to the increase of salaries and the increase of employees. Now, the same Senators say, "We have not any objection to that feature of the bill," although the provisions of the conference report in that respect are the same as those of the bill when it was originally reported to the Senate. It is now discovered, however, that, after all, the objection is to section 9 as the bill was originally framed, or to section 11 as it is now. At least that is an inconsistent attitude for Senators to assume.

The facts are, Mr. President, that when we had the hearings it was there disclosed, without any question, that the man who now makes an invention or an improvement in connection with some particular article that is being manufactured can be absolutely robbed of it under existing law unless he has sufficient money to back him up in making two trips to the Supreme Court of the United States. Those who are opposed to this legislation, including some patent attorneys representing great corporations which are opposed to it, admit that. If I make or some other person makes an invention as to the legality of which, let us assume, for the sake of argument, there is no question, and some very wealthy individual, partnership, or corporation infringes it with impunity, what is the remedy?

In the first place, the inventor would begin by an injunction restraining them. He would start in the district court of the United States; he would, we will say, win the case there. It would then be taken to the court of appeals. He would win it again, and the case would go to the Supreme Court of the United States. Admit that he wins his case there, then what? The next action is one of damages for the infringement. So he commences a new action in the district court of the United States. A commissioner is appointed to take testimony, and he follows him, perhaps, all over the United States. When he gets through there, the case is again taken to the court of appeals. After he wins it there it again goes to the Supreme Court of the United States.

One of the greatest patent attorneys of the United States in making an argument on the bill was asked the question, "What will a man who is not wealthy do with a valuable patent which is infringed with impunity by somebody who is wealthy?" He said—and they all agreed to that—there was only one thing for the inventor to do, and that was to sell his patent for whatever he could get, because otherwise he would be worn out in the courts, even though it were conceded that his patent was valid. While the hearing was going on a representative of the Bell Telephone Co. who was present immediately rose at that point and said: "I wish to give the assurance that anybody who makes an invention pertaining to the telephone may sell it to the Bell Telephone Co." In that case, however, the Bell Telephone Co. fixes the price; it is absolutely supreme. If it buys an invention and finds that it is more profitable to suppress it than it would be to use it, that company having, to a great extent, a monopoly of the telephone business, would suppress it. Therefore, the inventor will be compelled to accept whatever the telephone company will pay to acquire an invention and suppress it in order to prevent competition in their line; in other words, the very theory on which a patent is granted in this country is subverted to a purpose entirely contrary to that intended. The Government gives a monopoly to a man who makes an invention on the theory that it will be used by the people; but if some one who is already in the business can make more money by suppressing it than by utilizing it—and that is very often the case; there are thousands of patents which are now suppressed and have been suppressed for years—it is not used, and the very monopoly that the people give for their own benefit is used to their own detriment and expense.

This proposed legislation will not completely remedy the present situation, but it will do so to a great extent; it is one step in that direction.

I wish to say again that if the proposed legislation is passed as it now stands, increasing the salaries of those employed in the Patent Office, it will not cost the taxpayers of the United States

a cent. The measure provides for an increase of fees that will more than cover the additional expense.

Of course, I can not find fault with Senators who are opposed to the legislation; that is their privilege and right; but I do again say, Mr. President, that the Senate ought to be allowed to vote on the proposition. It looks as though, in view of the fact that we were nearing the end of the session and there are a number of appropriation bills as yet not passed which ought to receive at least the fair consideration to which they are entitled at the hands of the Senate, that unless some agreement can be reached by which a vote may be had on the conference report, it will be defeated merely for the reason that we are not able to get a vote upon it.

Mr. REED. Mr. President, if what the Senator from Nebraska has just said is correct, namely, that patents are issued and then bought up and suppressed by interested parties, this bill will not remedy that difficulty. If the Senator's position is right in regard to the matter I have just mentioned, then this bill ought to provide that all patents applied for shall take the same course as the patents which may be applied for by a few Government employees. There is no argument the Senator has made in favor of taking over the patents of Government employees that does not apply to every patent application filed in the United States Patent Office. It is an attempt to take a class of people already in the employ of the Government and put them under a particular governmental protection, and to do that when, as a principle of equity, their inventions, made through their contact with the Government business for which the Government pays them, ought of right to belong to the Government. If an employee of the Bureau of Standards investigating a problem which the United States employed him to investigate discovers some improvement through the use of the very instruments and chemicals and materials of the Government, it is a question in my mind whether, under the law, that discovery does not belong to the Government. I would be perfectly willing to permit such a man to take out a patent, because it would stimulate him to exertion, but when he takes out his patent he ought to stand on the same footing as other men. If I draw a Government salary and John Smith is working in a garret, I ought not to take any advantage over John Smith because I already have the advantage of a Government place.

The talk about these men being too sensitive to apply for a patent or to sell it, is all right coming from the Senator from Nebraska, for whom I have the most profound respect; he is a man of such keen sensibilities and of such idealism that a consideration of that kind might interfere with him if he were working for the Government; but I think he stands in a class entirely by himself; I do not think there is another man of just that kind in the world. I should like to be introduced to the man who comes down to Washington and gets a Government job because it is the best job he can find—and that is the reason he comes here—and who then is suddenly lifted above the sordid sphere of earthly action so far that he would not take a patent on something he had invented and sell it to the highest bidder for cash in hand. I should like to be introduced to the gentleman; I should like to examine him and find out how far his wings have grown and how soon he will be ready to take his flight into the higher heavens. There is not anything in it.

If there is anything to this bill, it is the camel's nose under the tent; it is the proposition of initiating a system of governmental licenses which is being clamored for so much just now. There are men who would have every great business licensed, and that, of course, means in itself the control of all small business; but in a little while they will find the small business licensed, and in a little while this Government, founded upon the principle of individual liberty, will be a Government more thoroughly controlling the action of the individual than any tyranny that has ever disgraced the scroll of history.

There can be a tyranny under a republic in name just as well as under an autocrat. Tyranny consists in the Government depriving the individual of his natural rights. It does not make any difference whether that government is called a republic or a democracy or a monarchy or an empire. All such bills come forward as beneficences; they are supposed to be for the sake of some reform, some benefit; but when analyzed it comes down to this, that almost every time we pass a law we are taking over more power to the Government.

Now, let us see. The patent laws have been on our statute books since the very dawn of our national existence. Under them hundreds of thousands and millions of patents have been applied for. They are open to all the citizens of the United States alike, to the Government employee and to the man who has to make his own living by his own exertions. Why should the Government employee be singled out for special protection

and benefit? Above all, why should we vest in the Federal Trade Commission the authority that is placed in it by section 9 of this bill?

The Federal Trade Commission is to take over these patents. The Federal Trade Commission is to license and collect the fees and royalties. The President is to fix the amounts, and of the total amount of such fees and royalties so deposited a certain per cent, to be determined by the President, is to be reserved and set aside and appropriated as a special fund to be disbursed as directed by the President to remunerate the inventors.

Mr. President, if the Senator from Nebraska wants this bill passed in order to protect the Patent Office, to keep the experts who are there, I want to aid him in that; but this section has no business here. If this scheme is to be entered upon, let it be brought forward as a separate bill, and let the Congress have an opportunity to consider it upon its merits.

PURCHASE OF SEED GRAIN.

Mr. GRONNA. Mr. President, I wish to say another word with reference to the vote just taken. I assume that it was not a vote against the Agricultural appropriation bill, nor against any particular item in that bill, but that it was thought best to consider the railroad bill before the Agricultural appropriation bill is taken up.

Of course, I gracefully submit to the majority of one; but before the vote is taken upon the motion to take up this bill I want to say to the Senate that a serious emergency exists, and if the bill which I shall ask permission to report can be disposed of to-day and sent over to the other House we can be assured of its passage during this session of Congress. The Agricultural appropriation bill may or may not be passed. It may fail; but I hope there will be no objection to the report which I shall present, either now or after the bill has been laid before the Senate, because I know of no reason why there should be opposition to it.

There can not possibly be any good reason for opposition to an emergency bill such as this, where 8,533 farmers in one State alone are without seed grain. In the State west of us, the State of Montana, a more serious condition exists. In the State south of us a serious condition exists in the western portion of the State. All that we are asking is for the Government to loan its credit or its money for one year to supply these unfortunate people with seed grain.

Mr. THOMAS. Mr. President, may I ask the Senator what the States themselves have done, or are attempting to do, in supplying their citizens with seed grain?

Mr. GRONNA. I will say to the Senator that in certain counties in my State we have had a crop failure for five years. In the State of Montana I believe they have had a failure for some three years on account of drought. The counties, as I understand, during some of these years have furnished the settlers and the farmers with seed grain. The banks in many instances have furnished credit, not only for seed grain, but credit for other purposes; but the situation is such that the banks are absolutely unable to extend any further aid, and so are the counties, because they are bonded to the limit. It is proposed in this bill to take a seed lien, which in all these States becomes a prior lien.

Mr. THOMAS. Yes; I have read the bill.

Mr. GRONNA. And I do not believe that the Government will sustain any great loss.

Mr. THOMAS. I have no doubt that next year or the year after Congress will be besieged to release these liens. That is generally the next step in a matter of this sort. We had occasion in our State once before to meet this situation, and our people then themselves furnished the farmers with seed grain. It seems to me to be a purely local matter. While the need may be very great, and doubtless is, it is the establishment of another precedent here that will lead to the continued expansion of Government aid for all the misfortunes of mankind.

Mr. SMITH of Georgia. Mr. President, if the Senator will yield to me, I wish to assure him that the vote against taking up the Agricultural appropriation bill was not, on the part of a number of Senators who voted against it, in any spirit of hostility. I among others had promised to vote to take up the railroad bill next, not knowing that the Agricultural bill was coming up; and really I believed it was desirable to take up the railroad bill and get it out of the way, feeling absolutely sure that the Agricultural bill would come up promptly and be disposed of.

Mr. TOWNSEND. Absolutely.

Mr. SMITH of Georgia. I hope we will stay here with the railroad bill until we pass it if we have to sit all night, and if there is any effort on the part of Senators to check it by unnecessary talk, I hope we will sit and listen until they get tired. I

want to say further that I shall vote next to take up the Agricultural appropriation bill.

Mr. GRONNA. I thank the Senator. I have just stated that I do not believe the vote recently taken was based upon any hostility to the Agricultural bill. It was simply because a majority of the Senate wanted to take up the railroad bill at this particular time.

Mr. KNOX. Mr. President, will the Senator yield for just a moment?

Mr. GRONNA. Yes.

Mr. KNOX. I want to say to my friend from North Dakota that in voting not to take up the Agricultural bill at this time I was inspired by no antagonism to that bill. The Senator, of course, does not pretend that he alone is sympathetic with the needs of the agricultural classes.

Mr. GRONNA. I have never made that statement.

Mr. KNOX. No; I am sure the Senator did not, and I do not think he assumes anything of the kind.

Mr. GRONNA. If I did, the farmer would be worse off than he is now.

Mr. KNOX. I think not; but that is all right. I want to say, however, that in my own State we have 202,000 farms, which I suppose is four or five times as many farms as there are in the State of North Dakota, and the value of the agricultural products of Pennsylvania is between four and five hundred million dollars.

There seems to be a rather superficial impression in some quarters about my great State. People imagine that it is practically a State of urban population. It is one of the greatest agricultural States of the Union. I think we raised, according to the last census, some 30,000,000 bushels of wheat. Of course, that is nothing like the fertile plains of North Dakota produce, but I presume North Dakota concentrates principally on the raising of wheat, whereas our agricultural products are varied.

I am going to support the Agricultural bill in practically every detail, and I want the Senator to understand it.

Mr. GRONNA. I thank the Senator. I am sure he will do so. I want to say to him, though, that the condition is somewhat different in my State. We raise grain and cattle exclusively. We have no manufacturing. We have very little mining. We shall in the future have mining, but we have not mining at this particular time; and for that reason this is a matter that affects every farmer and business in the State, because they all raise grain. In the State which the Senator so ably represents they have more diversified farming.

Mr. KNOX. I appreciate those differences, and for that reason I am disposed to the utmost liberality in dealing with States so situated.

Mr. GRONNA. Then, if it is in order, I will ask unanimous consent—

The VICE PRESIDENT. We must put the motion first.

Mr. GRONNA. Very well.

PAYMENTS DUE RAILROAD COMPANIES.

The VICE PRESIDENT. The question is on the motion of the Senator from Michigan to proceed to the consideration of House bill 15836.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 15836) to amend the transportation act, 1920.

Mr. TOWNSEND. Now, if the Senator wants to ask unanimous consent, I yield to him for that purpose.

Mr. GRONNA. I ask unanimous consent to make a report of the bill which I have sent to the Secretary's desk, and ask unanimous consent for its immediate consideration.

Mr. TOWNSEND. Mr. President, I have stated to the Senator from North Dakota that if it is true that there is to be no debate upon that bill, and the whole Senate is in favor of passing it, as I am willing to vote to pass it myself, I shall not object; but I can not consent to taking up any matter which will delay the consideration of the bill now before the Senate. I have discovered that the only way to legislate here is to legislate, and to proceed with the consideration of the matter before the Senate. I propose to ask, as early as possible, unanimous consent to fix a date, not later than some time to-morrow afternoon, when we can vote on the railroad bill. If that consent is granted, then Senators can proceed, when no one wants the floor on this measure, to discuss or dispose of any bill which they see fit; but until that is granted I can not consent to lay it aside for the consideration of any measure that is going to lead to any debate.

Mr. GRONNA. If I may be permitted to say so to the Senator, I do not believe it will lead to any extended debate. I realize that it is subject to a point of order, and that if one objection is made it will have to go over. I should like to have the bill read, so that Senators may know what it is, and then

If anyone wishes to object, of course he has that right under the rule.

Mr. TOWNSEND. I want to say one thing further in reference to the Agricultural appropriation bill. If that bill fails of passage at this session of the Congress, it will be because of the friends of the bill, those who advocate it. The Senate is not opposed to the Agricultural bill. The Senate wants to consider it, and will consider it if the Senate is willing to stay here and consider the business of the Senate.

Mr. HEFLIN. Mr. President, I suggest to the Senator from Michigan that he prefer now his request to fix a time certain on the railroad bill.

Mr. TOWNSEND. I should be very glad to do that, but the Senator from Wisconsin [Mr. LA FOLLETTE] told me that he does not want to have me to prefer that request at the very beginning, as he thought that after we had run along a little while we could agree to it. I should be glad and had intended to prefer the request now, but I have stated why I can not do so.

Mr. WALSH of Montana. I want to suggest that perhaps it would be agreeable to the Senator from Michigan to have a unanimous-consent agreement carrying a stipulation to the effect that if the bill should lead to debate, the bill would be laid aside on his suggestion.

Mr. SMOOT. Mr. President, I have just been in communication with the Secretary of Agriculture, and he advises me that there have been advanced for the purchase of seed wheat authorized three years ago \$4,199,632.70. That is the amount advanced by the Government of the United States, to be paid back in one year. The United States has collected of that amount, to date, \$1,436,450.51.

Mr. GRONNA. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from North Dakota?

Mr. SMOOT. I yield.

Mr. GRONNA. The provisions of the bill which passed Congress three years ago were much broader than this. This provides only for the purchase of seed grain.

Mr. SMOOT. That will not make any difference in the payment back to the Government.

Mr. GRONNA. It will make a great deal of difference, because you can always get the best security. The seed lien is the best security you can get. It makes a great difference.

Mr. SMOOT. Mr. President, just one-third of the amount has been paid back in three years. The legislatures of nearly all the States are in session, and it seems to me the legislatures of the States ought to make appropriations for this purpose. My own State has done so in the past, and I can not see why they should not do it again, if there is a condition existing such as did exist about five or six years ago. Is it not proper and is it not right to have the States make the appropriations for this purpose, and not the Government of the United States?

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Alabama?

Mr. SMOOT. I yield.

Mr. HEFLIN. When the earthquake came to San Francisco the Federal Government went to the aid of the people there. When fire swept Salem, Mass., the Government appropriated money for the relief of the people there. Why should not the Federal Government go to the aid of people who have been afflicted by drought, and their property destroyed?

Mr. SMOOT. Mr. President, I shall not take the time of the Senate to discuss that question. There is quite a difference.

I might say, though, that one of the officials of the department told me that whatever money is advanced now for this purpose will go to the banks of the States in which the money is to be advanced to release the wheat they are holding now as security. I do not know whether that is true or not. I can not say whether it is.

Mr. GRONNA. I can not let that statement go unchallenged.

Mr. SMOOT. I have not made it as a positive statement, I will say to the Senator. I am simply saying that my informant was an official of the Agricultural Department.

Mr. GRONNA. Whoever made that statement is absolutely mistaken. It is intended that the Secretary of Agriculture shall prescribe such rules as he may see fit, and that it will all be done through the officers of the counties, the board of county commissioners, and I can not conceive any better agency than that particular agency. I can say that the official who reported to the Senator that it would release any wheat is absolutely mistaken. There is no such thing to be undertaken as that.

Mr. SMOOT. The Senator was just as positive that the money had been paid back, when I called his attention to it, as

he is in this matter. I get it from one of the head officials of the Agricultural Department; but, as I say, I do not know whether it is so. But I do know the amount paid back, because I got it not only from the Agricultural Department but I asked the Treasury Department to let me know the exact amount, and these are the exact figures reported.

There is no use in objecting; it will pass, anyhow, so I shall not object to it. I simply want to record my position on such a matter as this, that I think the States ought to take care of questions of this character. I know that legislatures of most of the States are in session now, and I think it would be very much better for the people of the States to do it than to have it come out of the Treasury of the United States.

Mr. REED. I would like to ask the Senator from North Dakota a question, with the permission of the Senator from Utah. I am very kindly disposed toward this bill; I understand the awful condition which exists in North Dakota.

Mr. GRONNA. North Dakota, Montana, South Dakota, and possibly one or two other States; but it is most disastrous in the three States I have named.

Mr. REED. I would like to inquire whether the Nonpartisan League has not been in control in the State of North Dakota, and if that is not the organization which told the farmers that it would relieve them of all possible adversities for the future?

Mr. GRONNA. I will admit, Mr. President, that there is a troublesome condition; but I will also say for the State administration that they have taken a great deal of time and expended money to get the data.

The VICE PRESIDENT. The Chair ventures to suggest that the bill be read, and if there is to be discussion, the Senator from Michigan can object, and if not, the bill can be passed.

Mr. TOWNSEND. I just wanted to ask a question of the Chair, suggested by the Senator from Montana. If unanimous consent is given to take this bill up, would it be in order and effective for the Senator from Michigan to object to further consideration and ask that the regular order be laid before the Senate?

The VICE PRESIDENT. The Chair thinks that unanimous consent can be given to temporarily lay aside House bill 15836, with the understanding that the Senator from Michigan can call it up at any time he pleases.

Mr. TOWNSEND. Then the bill may be read, as far as I am concerned.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and the Secretary will read.

PURCHASE OF SEED GRAIN.

The ASSISTANT SECRETARY. The Senator from North Dakota [Mr. GRONNA] reports from the Committee on Agriculture and Forestry favorably, with an amendment in the nature of a substitute, the bill (S. 2508) to appropriate \$5,000,000 for the purchase of seed grain and feed for live stock, to be supplied to farmers and stockmen in the drought-stricken areas of the United States, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture.

Mr. TOWNSEND. I ask unanimous consent that the regular order may be temporarily laid aside for the purpose of considering the bill just reported, under the condition as stated by the Chair.

The VICE PRESIDENT. Is there any objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2508) to appropriate \$5,000,000 for the purchase of seed grain and feed for live stock, to be supplied to farmers and stockmen in the drought-stricken areas of the United States, said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture, which had been reported from the Committee on Agriculture and Forestry with an amendment.

The amendment was to strike out all after the enacting clause and to insert:

That the Secretary of Agriculture is hereby authorized, for the crop of 1921, to make advances or loans to farmers in the drought-stricken areas of the United States, where he shall find that special need for such assistance exists, for the purchase of wheat, oats, barley, and flaxseed for seed purposes when necessary, to procure such seed and sell same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the seed thus obtained by him for the production of grain. A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. The total amount of such advances, loans, or sales to any one farmer shall not exceed the sum of \$300. All such advances or loans shall be made through such agencies as the Secretary of Agriculture shall designate. For carrying out the purposes of this section there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of \$5,000,000, to be immediately available.

SEC. 2. That any person who shall knowingly make any false representation for the purpose of obtaining an advance, loan, or sale under this act shall, upon conviction thereof, be punished by a fine of not exceeding \$1,000, or by imprisonment not exceeding six months, or both.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to appropriate \$5,000,000 for the purchase of seed grain to be supplied to farmers in the drought-stricken areas of the United States; said amount to be expended under rules and regulations prescribed by the Secretary of Agriculture."

PAYMENTS DUE RAILROAD COMPANIES.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15836) to amend the transportation act, 1920.

Mr. KIRBY. Mr. President, I send an amendment to the desk and ask that it be read.

The VICE PRESIDENT. The Secretary will read the amendment.

The ASSISTANT SECRETARY. Amend, by adding a new subdivision, after line 21, on page 2, as follows:

(c) Section 422, section 15a, of said transportation act approved February 28, 1920, is hereby repealed.

Mr. KIRBY. Mr. President, I opposed the passage of the transportation act throughout. I recognized that the condition was bad at the time, but knew the law would operate injuriously to the public. When the transportation act, turning the railroads back to their owners, was passed, States were thereby deprived of their regulatory powers, and the people were, in effect, deprived of their reciprocal and correlative rights under the law to reasonable and just rates of transportation.

Under the transportation act, as I understand it, the correlative and reciprocal rights of the public to reasonable and just rates for the transportation of freight and passengers has been absolutely and effectually destroyed. I do not believe that the transportation act has operated beneficially. That it has resulted injuriously and disastrously to the people of this country there is no question, and that it has resulted disastrously to the railroads themselves is conclusively shown by their appearance here to-day asking further favors of the Government.

We took the railroads over in the first instance, during the war, because the public necessity required it. The law guaranteed as an income to the railroads the average of three years' earnings before they were taken over, a period when the earnings of the railroads were higher than they ever were before in the United States. This income guaranty amounted to 10, 20, 30, 40, and I understand in one instance 65 per cent upon the capital invested in the railroad.

During the whole war that income was paid to the railroads. When it came time to release them to their owners the transportation act was proposed, and by that act Congress said to the railroad owners: "We will give you as a gratuity another six months' guaranty of this high rate of income after the roads have been turned over to you. In addition to that, we will give you 10 years in which to pay back the \$900,000,000 the Government has expended in the betterment of your roads during Federal control. In addition to that, we will put in the Public Treasury, of the people's tax money, a revolving fund of \$300,000,000, which you may come and borrow and use at your convenience."

In addition to that, the law provided that these railroads should be divided into certain groups throughout this country, that they should be valued in such groups, and then have the right to come to the Interstate Commerce Commission and demand under the law that freight and passenger rates be increased to such an extent that they should receive a guaranteed income of 6 per cent upon all the property invested in the particular business.

Mr. POMERENE. Mr. President—

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from Arkansas yield to the Senator from Ohio?

Mr. KIRBY. I yield.

Mr. POMERENE. Certainly the Senator does not wish to misrepresent the facts in that behalf?

Mr. KIRBY. Certainly not.

Mr. POMERENE. There is no guaranty of any return under the railroad act. The only thing in it in that behalf is this: There is a rule laid down to guide the Interstate Commerce Commission in fixing the rates. It was provided in substance that in fixing reasonable rates they should be made so as to earn a fair return on the aggregate value of the railway prop-

erty and named 5½ per cent as such fair return on the railroad property in the country as a whole or in sections. They can in their discretion arrange the rates so as to earn an income of 6 per cent, but if the returns should fall to 2 per cent or nothing, there is no liability on the part of the Government. In other words, there is no guaranty, and I think we ought to understand that as the debate proceeds.

Mr. KIRBY. I think my statement is accurate. I do not dispute the statement made by the Senator. The Interstate Commerce Commission under the law is required on the valuations made to allow them to levy such rates of transportation as will produce 5½ to 6 per cent net income. I believe the Senator will not dispute that. If that income is not produced, of course the Government does not have to pay it. I do not contend that it does, but under the law all the people of the United States are required to pay transportation charges that will produce 5½ to 6 per cent income upon the valuation of the roads in the separate sections or groups or upon the whole mileage. No one disputes that proposition.

When the bill was passed I said that if the legislation should be enacted the people of the United States under its operation would be charged \$1,250,000,000 more for transportation than they were paying before. I objected to it then. Voted against its passage. What has been the effect of it? After the bill became the law the railroad executives went to the Interstate Commerce Commission and said, "Under the law we are entitled to a good increase in freight rates," and demanded and were given authority to put them into effect. The Director General of the Railroad Administration of the United States while the railroads were under Federal control testified and stated officially that if the 25 per cent increase in rates inaugurated and instituted during the period of Federal control had been instituted at the beginning of such control, there would have been no deficit from the Government operation of the railroads, and consequently no liability for a deficit upon the part of the Government. Those increased rates obtained when we turned the railroads back to their owners.

What has been the result? Notwithstanding the law provided for the revolving fund, that the railroads might be loaned tax money from the Treasury, notwithstanding it made provision for this particular method of 6 per cent guaranteed compensation to them, and notwithstanding the Interstate Commerce Commission under said provision taxed all the people of the United States, or rather allowed the railroads to do so, as was done by increased transportation rates levied to produce said income, now the railroads come to the United States Government and say, "We are broke. The plan has operated injuriously. We must have this money that you provided should be paid to us as a gratuity before it becomes due under the law giving it to us." Under the law we agreed to pay them the money only after it was finally determined by the Interstate Commerce Commission how much the Government ought to pay, how much it owed under the law providing six months' guaranty of income under private control, and until that has been determined the railroads can not be paid the gratuity. The law is clear. The law granted the railroads all these rights and privileges, made all these provisions that were expected to furnish adequate relief for them, and now they ask for this payment out of time.

I say here and now that I am not going to oppose the passage of this bill. I voted against the transportation bill because I thought it was unfair, unjust, iniquitous, and because the guaranties were all to the railroads and none to provide the people with reasonable and just rates of transportation nor protect them in the enjoyment thereof. I said it would operate injuriously to the people. What has been the effect of it? It has increased the rates to such an extent that the people are required to pay \$1,250,000,000 more of revenue to the railroads. What net revenue has been produced? Has the Government or the people benefited at all? Let us see. I will read one section of the transportation act. There is a provision in the act requiring that the roads shall be grouped and that the Interstate Commerce Commission shall allow to be levied rates sufficiently high to produce 5½ to 6 per cent dividends upon the valuation of the roads grouped in a particular district. That was provided; yes; but it is true the law did not guarantee the Government would pay the roads the 5½ or 6 per cent income, but only that the Interstate Commerce Commission would permit them to charge such rates as were expected to produce that amount. We all knew that under this system of rates the great roads are carrying three-quarters of the traffic over their lines at such exorbitant rates as are manifestly unreasonable, unfair, and flagrantly unjust to the public; that the whole system of rates is so unreasonable and unjust as to be well-nigh prohibitive—more than the traffic will bear—and has brought ruin to the farmer and producer as well as to the carriers themselves.

There was a provision incorporated requiring the big lines to pay a certain amount of their income over the 6 per cent fixed by the law as reasonable into a trust fund to be loaned back to the railroads or to be distributed by the Government in accordance with the provisions of the act.

Let me read the section of the act. All recognized that it would be unfair to the public to allow the big lines to charge a system of rates that would produce a fixed net income of 6 per cent on all the valuation of all the roads in any particular group. Let us read this provision—subdivision 5, section 15a of the railroad transportation act, page 36:

(5) Inasmuch as it is impossible (without regulation and control in the interest of the commerce of the United States considered as a whole) to establish uniform rates upon competitive traffic which will adequately sustain all the carriers which are engaged in such traffic and which are indispensable to the communities to which they render the service of transportation, without enabling some of such carriers to receive a net railway operating income substantially and unreasonably in excess of a fair return upon the value of their railway property held for and used in the service of transportation, it is hereby declared that any carrier which receives such an income so in excess of a fair return shall hold such part of the excess, as hereinafter prescribed, as trustee for and shall pay it to the United States.

It was recognized by all in the consideration of the legislation that that would be manifestly unfair to the people for whose convenience the railroads are supposed to exist. What has been the result? Under the exorbitant rates that were conceded by all would produce more revenue than any large railroad was entitled to have, many of the big railroads having been guaranteed and paid during Federal control 10, 20, 30, 40, 45, and in one case as much, I think, as 65 per cent upon their invested capital, notwithstanding the rates were increased 25 per cent under Government administration, notwithstanding this further increase in rates under this transportation act of over 25 and 30 per cent, have we heard where even one big railroad in the whole United States of America has allowed one single cent to go into this trust fund? Is there one road that has done it? If there is, let some Senator rise in his place who knows about it and say which road it is. The law recognized under the rates allowed on the fixed percentage increase basis that there would of necessity be a surplus to be paid into said trust fund. It has been put into operation, but I challenge any Senator to rise in the Senate and name one single railroad that has laid aside one single dollar to go into that trust fund.

Mr. POMERENE. Mr. President, may I ask the Senator a question?

Mr. KIRBY. Certainly.

Mr. POMERENE. Will the Senator state what railroads have earned a surplus since the law has gone into effect?

Mr. KIRBY. I do not know what roads have, but I am telling what was said or provided or what would be the effect of the operation of the law and that no railroad had paid anything into said trust fund.

Mr. POMERENE. While the Senator is speaking of the increase in freight rates—and that is admitted—has he taken into account the increase in expenditures because of advance in material and advance in wages? I think when the Senator takes into consideration the other side of the ledger account he will find the situation somewhat different.

Mr. KIRBY. I do not say all those things should not be considered, but they do not have to be considered in connection with the proposition I am arguing here. That is the condition that we foresaw along that line. We recognized in passing the law that all of the great railroads would transport three-quarters of the traffic over their lines at greatly enhanced rates over what would be a fair and reasonable and just charge to the public, and not a single one has yet, as I understand, reported where it has laid aside one single penny for this trust fund. If one railroad has done so and any Senator knows it, I say let him rise in his place and name which one it is.

Mr. POMERENE. I am trying to trace it. I am interested in getting the facts. If the Senator can trace this for me and give me the names of roads that have earned a surplus, I would be most happy to know whether they have complied with the provisions of the law. If they have not, I am as much interested in having them comply as the Senator from Arkansas.

Mr. KIRBY. I have never been in the confidence of the railroads nor their operating boards. I do not know what their books will show, but I do understand that they have not paid anything into this trust fund, as I have stated. No Senator knows where one has done it. When the law providing this gratuity was passed—and I am not talking against paying it, but about another proposition—to guarantee the railroads for six months under private control the same rate of income paid them under Government operation there was only one railroad company in the United States that said, "No; the Government has done enough to us. Give back our railroad under the rates

that are already established, and we will carry the public and its freight and risk making a proper compensation." That was the "Cotton Belt." The St. Louis-Southwestern Railway, that runs down through my country, accepted no Government guaranty, and it is not here to-day demanding any further gratuities or favors from the Government. If the Cotton Belt Railroad running through Arkansas and Missouri could do that—and it has done it—then why have not these great railroads that are carrying three times as much commerce as that road, at the 30 per cent increase in rates, been able to put something into this Government trust fund? There is something wrong somewhere.

I say that by the passage of the bill, section 15a of which I am asking to have repealed now, we absolutely destroyed the reciprocal rights of the public to have fair and just and reasonable rates of transportation established. There is no question that under the law the railroads are allowed to charge such rates as will yield a reasonable and just return upon the money invested in the transportation agencies; but there is an equal and correlative and reciprocal right upon the part of the public to have provided just and fair and reasonable rates of freight and transportation. Under the bill that right has been absolutely destroyed. It is said that we have only provided under the law that the railroads shall be divided into districts or groups and valued in that way, and that on the value of the property in the various districts the Interstate Commerce Commission shall allow them to levy such rates of freight as will produce 5½ to 6 per cent income, and when it exceeds that they will pay the overplus back into the trust fund of the Government.

Yes; and there we have provided by an unbending rule of law what is a reasonable rate of income for the railroad companies, and we have absolutely destroyed the possibility of the people having any consideration of the establishment of reasonable and just rates of transportation, unless and until the railroads first get their income as fixed by the law. Is there anyone here who will deny that? We have taken the power and discretion away from the Interstate Commerce Commission to treat the public fairly under the law, as it always has been administered before this section was enacted.

In addition to that the law destroys absolutely and effectively the power and the right to regulate rates by the States. That is done by this law, which I think is unconstitutional in that regard, but unless and until it is declared unconstitutional said rate-making agencies are absolutely destroyed. There is no hope of relief to the people from that source. There is no hope of relief to the people from the Interstate Commerce Commission. Why? Because it is bound hand and foot by the law which says that the railroads shall have the right to a certain fixed rate of return upon the valuations made. Is there anyone here who will dispute that proposition? Then, where are the public to get their relief?

What has been the effect of the operation of the law? As I said, this railroad down in Arkansas stated that they did not need the Government guaranty, that they did not want any favors from the Government, but merely asked that their property be turned back to them and that they be given an opportunity to proceed under the law and they would make money. We have not heard any complaint from them. That is a little system, as compared with these others, and its guaranteed income during the war was low and small, as compared with the roads that had 10, 20, 30, 40, 45, and even 65 per cent return guaranteed, but that railroad has taken that position. Where are the public going to get any relief?

There is no relief unless the Supreme Court shall declare the other law unconstitutional on that point, or unless Congress shall repeal this section of the law and give the people an opportunity to be heard before the Interstate Commerce Commission, which I believe is the most beneficial agency that ever has been established by the Government for the protection of the people in these matters and for the protection of the carriers as well. Let us repeal this law and restore the status where the Interstate Commerce Commission shall be left discretion to fix reasonable rates both for the carriers and the people. Then the public will at least have a chance to complain that they have not been given just and fair and reasonable rates, and to have the matter tried by a tribunal which is established by law for that purpose. In that way they may secure some relief.

It is asked, however, Does the public need any relief? For the farmers of Texas and Oklahoma and other States of the Southwest and the farmers of the Northwest the freight rates have been increased so unreasonably high that their products in the market are hardly worth shipping. On account of the small net return under the conditions as they now exist, the farmers, the producers, and the stock raisers have been virtually

ruined by the increased robber freight rates which have been fixed directly by authority of this law of Congress.

What is the condition of the railroads? The railroads say, "We as well have been ruined; we are not making any money; we are broke; we come to the Congress and we ask Congress to give us this money before it is due, before under the terms of the gratuity we are entitled to receive it; we want this money; we have got to have it; we ask the Government now for that favor."

Senators know that the smoke from the chimneys of many factories does not any longer ascend; they know that the fire smolders in many forges in this country of ours; they know that the farmers in the South and West have been so handicapped, so injured, so discriminated against by the railroads that they face disaster.

What good has this legislation done the railroads? If they are reporting the truth, they, as well as the agricultural and industrial communities, are ruined. They come and say frankly, "We are ruined," and this is one of the prime factors contributing to their present condition.

Now, do not Senators think we had better repeal that section of the law? We have already passed the other law. I opposed it; I said it would operate in this way to the injury of all the public, who had a right to expect reasonable and fair freight rates, and that their Congress at least would not preclude them from the right which they had always enjoyed. Let us repeal this other section.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from North Dakota?

Mr. KIRBY. I yield to the Senator from North Dakota.

Mr. GRONNA. I wish to say to the Senator from Arkansas that what he has said with reference to the heavy freight charges on bulky freight is absolutely true, so far as it applies to the section of country from which I come.

Mr. KIRBY. I am glad to have the Senator say that.

Mr. GRONNA. In the case of hay, for instance, the hay market to the farmer in my section of the country has been destroyed by virtue of high freight rates, and, as the Senator from Arkansas has well said, the business does not seem to pay the railroads. In that aspect of the case, it seems that the whole machinery which was set up was unscientific and has produced deplorable conditions among farmers and, I understand, among the railroads.

Mr. KIRBY. I am glad to have the Senator's confirmation of my statement.

Senators will remember the live-stock situation and what representatives of the live-stock industry have stated. They will remember how live-stock men have stated that when they ship their stock to market, after paying transportation charges, they receive virtually nothing for the stock. The railroads say, "We, too, are broke." Then there is something wrong with the system.

Let us repeal section 15a of the law; let us hand back to this agency, the Interstate Commerce Commission, the power to say to the railroads, "You shall have reasonable and just rates for service," and also to say to the public, "You shall have reasonable and just rates of transportation."

But, it is asked, "Is it possible that the law operates in that way?" I have set forth the condition. It is further asked, "Will it operate in that way in the future?" It has so operated to this time, and why would it improve in the future?

Whenever the rates of carriage are fixed so high that commerce can not move, then commerce is destroyed and the carriers are destroyed. It is asked, "Is it possible that the carrier would so far disregard its own interest as that it would take the benefit of a provision of law that might prove injurious to the carrier?" The Government stood behind them here by a guaranty of 10, 20, 30, 40, or 45 per cent income for six months. The carrier took the chance in the other matter and said to the Government, "We want a guaranty under the law; we want such rates as we are entitled to prescribe under this 6 per cent income law," and we said, "We will see what can be done about it." Now the carriers come and say, "We are broke. What are you going to do about it?"

The Senate of the United States represents the whole people of the United States. The Government and the public do not exist for the benefit of the railroads; the Senate Chamber was not built for the benefit of Senators; the courthouse was not built for the benefit of the judges; the schoolhouse was not built for the benefit of the teachers. These are all agencies in the development of our progress and civilization; agencies for the service of the people and the promotion of their welfare. We are certainly as much obligated to protect the public interest as we are to protect the interest of any special class of our

citizenship or corporations. Is that not true? Then, it has not been done and the law conclusively shows it by its having operated injuriously to the public and disastrously to the railroad companies.

I think these matters ought to be considered, and I think the time has come here and now when relief should be afforded. Just so long as we continue to have group rates and arbitrary valuations fixed and then allow the railroads by a system of bookkeeping to add two or three items, that long we are going to have this condition. There will be lethargy; yes, there will be disappointment to the public; there will be gloom among the producers. That is the condition which we have to-day, and we do not propose to remedy it one single farthing by taking the people's money out of the Treasury and handing it to the railroads. Why? Because the railroads are broke and because it is necessary that the people have transportation.

We have already passed that law, and having passed it I say let us go ahead—it will make but little difference—and give the railroads what we have said they are entitled to under the law; but let us remedy the condition, let us give the people an even and fair chance or some chance, at any rate, for the determination of their rights; give them an opportunity to have equal, fair, and just and reasonable rates of transportation, which never can be done under this section of the law.

Senators, I am not disposed to discuss this matter longer; I could say a great deal about it; but we have seen the effect of operation of that section, and you know what I have said here is true. I do not believe there is a single proposition that I have made that can be disputed; I think everything I have stated is in accordance with the facts and is definite and accurate, so far as the general matter and statement is concerned.

Now, there ought to be something done to bring relief. That can be done by the repeal of that particular section, which will leave the Interstate Commerce Commission where it has always been, with the power to fix just and reasonable rates to the public and with the power to grant rates that will provide reasonable and just compensation to the carriers. That is where it ought to be left; it ought to be left within the discretion of this agency which Congress has created for that purpose.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Arkansas.

Mr. TRAMMELL. I should like to have the amendment stated.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 2, after line 21, it is proposed to amend by adding a new subdivision which will read:

(c) Section 422, section 15a, of said transportation act approved February 28, 1920, is hereby repealed.

Mr. TRAMMELL. Mr. President, I am very heartily in sympathy with the object and purpose of the amendment offered by the Senator from Arkansas. When we were considering the present law governing our railroads and transportation I was thoroughly impressed and convinced that its provisions in regard to rate making were going to operate very harshly; that in many instances they would result in the imposition of railroad rates which would be almost prohibitive and which in a great many instances would result in retarding certain industries, and more particularly agricultural industries. For this reason I opposed and voted against the present railroad law. My forecast upon that subject, so far as the State of Florida is concerned, has proven true. I have received a great many reports from those engaged in the citrus-fruit industry, those engaged in staple farming and in the production of vegetables and in other products, complaining most bitterly against the present rates imposed upon those industries. The difference between what may be reasonable rates and the rates that are being charged at the present time upon many of these products represent to the grower an element of safety against loss.

As an illustration of the excessive rates, I may call attention to a freight charge brought to my attention by a farmer from a small town near Tampa, the town of Wimauma. This farmer shipped to Philadelphia a carload of lettuce consisting of 374 hampers, and upon that carload of produce the freight was \$411.11 for a haul of, say, from 1,200 to 1,250 miles. The freight charge, as I have said, on that haul was \$411.11. Under the present rate, which was certainly sufficient, the farmer would have paid probably \$300 for his freight, and he would have had \$111.11 left to stand between him and an actual loss upon the fruit of his labor and his investment; but as a consequence of this excessive rate he received only \$3.80 net for his carload of lettuce.

Another case brought to my attention was the shipment of a carload of cabbage from the same point to Philadelphia. On

396 crates of cabbage, constituting one carload, the freight was \$434.15, and the farmer received \$10.86 net.

Mr. President, the industries of the country will not prosper, will not be continued, and will not be enlarged if the freight rates are excessive. The result has been in my State, and doubtless in many other States, that they are plowing in their fields of lettuce, they are letting their fields of cabbage go to waste; and the producers of citrus fruits, with the present market and the present excessive freight rates, are hesitating about shipping a considerable part of the crop that has not yet been marketed. The rate burden has practically destroyed the production of watermelons.

I took up the question of obtaining a freight rate reduction with the Interstate Commerce Commission, and the commission took it up with the railroads, with a view to trying to get some amicable adjustment of the freight rates on citrus fruits and vegetables. The reply came back that the rates could not be made any less, and that the trouble was in the markets at the present time; that the products were not bringing a reasonable price in the markets. I frankly admit the market is bad, but, at the same time, that does not remove the fact that the freight rates and the express rates are excessive. That does not remove the fact that the railroads of the country could make reasonable returns upon the products of the grove and of the farm by imposing a reasonable rate and lessen the loss to the grower of my State and other States. The idea of one carload of cabbage requiring a freight charge of \$434 for a distance of 1,200 miles! Anybody knows that that is not reasonable.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from South Carolina?

Mr. TRAMMELL. I yield to the Senator.

Mr. DIAL. In connection with what the Senator says I will say to him that I saw the other day a bill for a carload of merchandise shipped from Winston-Salem to Washington, a distance of about 400 miles, and the freight bill was around \$445.

Mr. TRAMMELL. That is just in confirmation of my position that the rates are entirely too high. They are unreasonable. They result in retarding business, they result in reducing the tonnage to the railroads, and in that way affect the income of the railroads of the country and at the same time paralyze industry.

Take the express rates: Only this morning I received a letter from a farmer of my State saying that he had shipped 12 crates of vegetables to Savannah, Ga., a distance of some 500 miles, and that the charges upon the 12 crates were \$24, \$2 a crate. Why, the people that are carrying on the citrus-fruit industry and the farming industry of this country can not survive rates of that kind.

There are two different lines of thought among the railroad people of the country. Some seem to think that you can put on almost any kind of a rate charge you want and that that makes the railroad more prosperous; but, as stated by the Senator from Arkansas [Mr. KIRBY], it has been developed that that is not true. They asked for an increase of their rates, and they got an increase, and yet they claim that their roads are not prosperous, that they are not making money. Well, one thing is certain. The people who are furnishing the freight and paying the freight rates are not making money, and a great many of them are losing money on account of the excessive charges.

Among railroad people there is another line of thought—that if you make your rail rates reasonable you encourage industry, you encourage agriculture, you increase railroad tonnage, and that your railroad is made more prosperous by the adoption of a policy of that kind than by imposing such very high rates as are imposed under the present law.

I am thoroughly in sympathy with the amendment offered by the Senator from Arkansas.

Mr. POMERENE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Ohio?

Mr. TRAMMELL. I yield.

Mr. POMERENE. Assume that the amendment proposed by the Senator from Arkansas is adopted. Will the Senator explain how that will bring relief?

The commerce act provides, in substance, that the rates shall be just and reasonable. The only addition, so far as the particular section is concerned which it is proposed to repeal, is this: First, that the Interstate Commerce Commission shall have before them a rule in rate making which will net to the railroads in the entire country—or, if it is divided into groups—5½ per cent on the railway investment. This is for a period of two years only; and they can, in their discretion, if

they think necessary, add to that another half of 1 per cent, which shall be used in the betterment of the railroads. Now, of course, the Senator must recognize the fact that we have good roads and we have bad roads and we have roads which are in an indifferent condition, considered from an earning standpoint; so we have provided, if there is an excess earning, how this excess earning shall be divided.

I am not prepared to discuss with the Senator the question as to whether or not the rates to which he refers are too high. I am impressed with the fact that they are somewhat exorbitant; but the Congress of the United States does not fix rates. The Interstate Commerce Commission fixes them. If they are too high, or higher than a given commodity ought to bear, of course they ought to be reduced; but surely the Senator is not going to take the position that we ought not to provide in some way for some return on investments in railroad property. Otherwise, you are going to wreck the entire system, and I should like to know how the Senator expects to improve the condition of the shippers by repealing this particular section of the railroad act.

Mr. TRAMMELL. Mr. President, it is somewhat a case of "any port in time of storm." It could not be any worse than it is at present, and we could only have a little ray of hope if we repealed the present limitations which allow them to make a certain percentage.

Mr. KIRBY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Arkansas?

Mr. TRAMMELL. Certainly.

Mr. KIRBY. I should like to make a suggestion there. If we repeal this law that says to the Interstate Commerce Commission, "You shall allow the railroads rates that will produce this amount of revenue," then the discretion will have been left with this agency just as it always was before we made a rule that operated as this one has been shown to have operated.

Mr. POMERENE. Does the Senator know that the rates have been made so as to produce this return?

Mr. KIRBY. Why, they said so.

Mr. POMERENE. I beg the Senator's pardon; they have not said so.

Mr. KELLOGG. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Minnesota?

Mr. KIRBY. Just a minute. The railroads came and asked rates that would produce an additional revenue of \$1,250,000,000, and the railroads under this rule of law, I understand, were granted those rates.

Mr. POMERENE. Mr. President, I am afraid the Senator from Arkansas has not gone to headquarters to get information with regard to that matter.

Mr. KIRBY. Then will the Senator be so kind as to furnish the information from headquarters?

Mr. POMERENE. If the Senator had told me what he was going to discuss this morning, I should have tried to have it here. The Interstate Commerce Commission went into this subject for the purpose of improving conditions, and saw that certain increases in rates were necessary; but I challenge the Senator to point out one word which has been uttered by the Interstate Commerce Commission to the effect that under these rates these returns would be guaranteed.

Mr. KIRBY. Nobody claims that.

Mr. KELLOGG. Mr. President, will the Senator yield? I think I can give the Senator the information he asks for right now.

Mr. TRAMMELL. I yield.

Mr. KELLOGG. The commission did fix the value of the roads under the La Follette Act, they having reached a stage in their valuation where they could make a fair and reasonable estimate of it. They did make rates which they thought, under the existing conditions, would produce the 5½ per cent return.

Mr. KIRBY. In accordance with this law.

Mr. KELLOGG. As a matter of fact, they did not do it, and I will give the Senator the exact figures.

Mr. KIRBY. Will the Senator yield?

Mr. KELLOGG. I should like to complete the statement, if the Senator will allow me.

Mr. KIRBY. I just want to say to the Senator before he finishes his statement that I do not claim that the railroads made so much, but I say that under the law the Interstate Commerce Commission was bound to allow them rates that they thought would enable them to make that much.

Mr. KELLOGG. Yes; as nearly as may be.

Mr. KIRBY. And we took away from them the discretion to say that the rates should be reasonable to the public or to the railroad companies.

Mr. KELLOGG. But it was not a guaranty, and as a matter of fact the statistics of the Interstate Commerce Commission show that in September after these rates were fixed the roads earned 4.1 per cent upon the valuation fixed by the commission; in October, 4.6 per cent; in November, 3.3 per cent; in December, 1.1 per cent; or an average of 3.3 per cent; and the results for January are not as good as those for December. That is what they actually did earn.

Mr. TRAMMELL. That shows all the more necessity for repealing this law, because, if we do not repeal it, if they think it is the proper thing to do, they will be appearing before the Interstate Commerce Commission within a very short time asking for another advance of 25 per cent or 50 per cent in freight and passenger rates. I think it is all the more necessary to repeal this provision or else to cut down the rate of return they shall be allowed to make on their investment.

Mr. KELLOGG. I understand that it is not their intention to ask for any increase, and that the railroads themselves do not feel that any increase should be granted.

Mr. TRAMMELL. I think they have reached a very wise conclusion. If they pursue the present destructive policy of charging excessive rates, their tonnage is going to be very materially reduced; so, as a question of preserving a house that is rapidly tumbling, I hope they will see fit not to attempt to advance rates and, on the other hand, will reduce them.

Mr. DIAL. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from South Carolina?

Mr. TRAMMELL. I do.

Mr. DIAL. Is it not true that the railroads have already lost a great deal of the short-haul tonnage in favor of trucks? In my State the rates are so high now that on the short hauls they are hauling freight by truck.

Mr. TRAMMELL. That is true. They are losing in that way, and they are losing on account of curtailment in crop production; and if the present rates remain, judging from the situation in my State, their tonnage will be reduced probably 25 to 33½ per cent in another year, because the farmers of the country are growing weary of the idea of spending their time and giving their labor and their money in the production of crops when they have to contribute more than half of what they receive for them for freight charges.

Mr. President, I think it is high time that Congress was taking some action against the excessive freight charges that are in existence under the present law, and I hope that the amendment offered by the Senator from Arkansas [Mr. KIRBY] will be agreed to. I have sought to reach the same condition by introducing some three or four weeks ago a bill to reduce the percentage of earnings that the railroads are allowed under the existing law, but it seems now that they claim they are not making that percentage, so I am after the effective remedy for a reduction in freight rates and in express rates. If we do not get them our agricultural interest is going to be very much hampered and the business of the railroads is not going to be what it would be if they would make reasonable rates and do business upon a policy of "live and let live."

I hope the amendment of the Senator from Arkansas will be adopted.

The PRESIDING OFFICER. The question is upon the adoption of the amendment offered by the Senator from Arkansas [Mr. KIRBY].

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Harris	McCumber	Smith, Ariz.
Ball	Harrison	McKellar	Smith, Md.
Borah	Hefflin	McLean	Smith, S. C.
Brandagee	Henderson	McNary	Smoot
Calder	Hitchcock	Moses	Spencer
Capper	Johnson, Calif.	Nelson	Sutherland
Chamberlain	Jones, N. Mex.	New	Swanson
Curtis	Jones, Wash.	Overman	Thomas
Dial	Kellogg	Phelan	Townsend
Fernald	Kendrick	Phipps	Trammell
France	Kenyon	Polindexter	Underwood
Frelinghuysen	King	Pomerene	Walsh, Mont.
Gay	Kirby	Ransdell	Watson
Gerry	Knox	Reed	Willis
Gooding	La Follette	Sheppard	Wolcott
Gronna	Lenroot	Shields	
Hale	Lodge	Simmons	

Mr. GERRY. I have been requested to announce the absence of the Senator from Kentucky [Mr. BECKHAM] and the Senator from Virginia [Mr. GLASS] on official business.

The PRESIDING OFFICER. Sixty-six Senators having answered to their names, a quorum is present.

Mr. TOWNSEND. All I desire to say, Mr. President, is that the amendment offered by the Senator from Arkansas [Mr. KIRBY] is not pertinent to this bill; that it has not been considered by the committee; and it ought not to complicate the question which we are here trying to settle.

Mr. KIRBY. Mr. President, I wish to speak on the amendment very briefly, as only a few Senators were present when I offered it.

I do not think the objection raised by the Senator from Michigan is tenable. This is a House bill, general legislation, in effect, and I have offered an amendment to it, as I had a right to do, to repeal that section of the transportation act which requires the Interstate Commerce Commission to value the roads in groups; and to permit the railroads to levy enough additional freight rates to give them a return of 5½ to 6 per cent upon the property investment, as valued by the commission. That is the present law. Under that law the railroads were valued, and an increase of 25 to 30 per cent in freight rates was granted. I say the effect of that law has been ruin to the productive industries of the country and almost ruin to the carriers themselves.

It seems to me that under the old law, under the law as it is supposed to exist to-day, the railroads are entitled to only a reasonable return upon their investment. The law says that 5½ to 6 per cent upon the valuation is a reasonable return. Under the law, shippers are entitled to reasonable and just rates of transportation. Now, the Interstate Commerce Commission is precluded, by this section of the law, from considering the reasonable and just freight rates upon the part of the people until they have levied rates high enough to return 5½ and 6 per cent income upon the property as valued by the Interstate Commerce Commission. In other words, the public right to reasonable and just rates of transportation is absolutely destroyed unless and until the rates charged produce 5½ and 6 per cent income to the railroads as fixed by law and not by the Interstate Commerce Commission.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. KIRBY].

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). I have a general pair with the junior Senator from South Dakota [Mr. JOHNSON]. I transfer that pair to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. KENDRICK (when his name was called). I have a general pair with the Senator from New Mexico [Mr. FALL], and in his absence am compelled to withhold my vote. If at liberty to vote, I would vote "yea."

Mr. KNOX (when his name was called). I have a pair with the senior Senator from Oregon [Mr. CHAMBERLAIN], but through the courtesy of that Senator I am released on this bill and all amendments thereto. Therefore I am at liberty to vote. I vote "nay."

Mr. POMERENE (when his name was called). While I have a general pair with the senior Senator from Iowa [Mr. CUMMINS], I understand that on this amendment he would vote as I intend to vote. I therefore feel privileged to vote. I vote "nay."

The roll call was concluded.

Mr. HENDERSON. I have a general pair with the junior Senator from Illinois [Mr. McCORMACK]. In his absence I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. GLASS. I transfer my pair with the senior Senator from Illinois [Mr. SHERMAN] to the junior Senator from Massachusetts [Mr. WALSH] and vote "nay."

Mr. TOWNSEND. I desire to state that I am paired with the senior Senator from Arkansas [Mr. ROBINSON], but I am confident that if he were present he would vote "nay" on this proposition. So I feel at liberty to vote. I vote "nay."

Mr. HARRISON. I am paired with the Senator from West Virginia [Mr. ELKINS]. Not being able to obtain a transfer, I withhold my vote.

Mr. MOSES. I desire to announce the absence of my colleague [Mr. KEYES] on official business. If present, on this question he would vote "nay."

Mr. CURTIS. I desire to announce the following pairs:

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from New Jersey [Mr. EDAR] with the Senator from Oklahoma [Mr. OWEN].

The result was announced—yeas 14, nays 59, as follows:

YEAS—14.			
Ashurst	Harris	La Follette	Sheppard
Fletcher	Kenyon	McKellar	Trammell
Gore	King	Overman	
Gronna	Kirby	Phelan	
NAYS—59.			
Ball	Gooding	Myers	Spencer
Beckham	Hale	Nelson	Stanley
Brandeggee	Heflin	New	Sterling
Calder	Henderson	Phipps	Sutherland
Capper	Hitchcock	Polindexter	Swanson
Colt	Jones, N. Mex.	Pomerene	Thomas
Curtis	Jones, Wash.	Ransdell	Townsend
Dial	Kellogg	Reed	Underwood
Dillingham	Knox	Shields	Wadsworth
Fernald	Lenroot	Simmons	Walsh, Mont.
France	Lodge	Smith, Ariz.	Warren
Frelinghuysen	McCumber	Smith, Ga.	Watson
Gay	McLean	Smith, Md.	Willis
Gerry	McNary	Smith, S. C.	Wolcott
Glass	Moses	Smoot	
NOT VOTING—23.			
Borah	Fall	McCormick	Pittman
Chamberlain	Harrison	Newberry	Robinson
Culberson	Johnson, Calif.	Norris	Sherman
Cummins	Johnson, S. Dak.	Owen	Walsh, Mass.
Edge	Kendrick	Page	Williams.
Ekins	Keyes	Penrose	

So Mr. KIRBY's amendment was rejected.

Mr. TRAMMELL. Mr. President, I have just sent a page for an amendment which I desire to propose to the pending railroad law, reducing the authorization of return on rates from 5½ to 3 per cent.

We are passing now upon the question of a bill granting relief to the railroads. I was very forcibly impressed by the result of the last vote as to the attitude, upon the one hand, of granting relief to the railroads and, upon the other hand, of granting relief to the agricultural and shipping interests of the country. The railroads come to Congress and knock at the door, and they do not knock in vain, but, in a very large majority of the instances at least, the producers, the operators of industries of the country, when they appeal to Congress appeal to deaf ears. It seemed to be all right to pass legislation granting to the railroads financial assistance. They succeeded admirably; they got just what they wanted. I recall more or less railroad lobbyists being around the Capitol advocating bills providing for the return of the railroad properties to private ownership, and so far as suggestions made by them within my knowledge, they obtained from Congress everything they asked. They made a mistake as to what they would accomplish or what they thought they would accomplish. The imposition of the excessive rates has worked a great hardship upon the freight-shipping public of the country.

The railroads did not ask only for financial assistance, but also to be given very high rates, based not upon the actual value of the stock but upon the investment in the railroads. They said, "We are an infant industry in this country and will have to have financial assistance." Congress came to the rescue and gave them all the financial assistance they wanted. They made some miscalculation as to the length of time of the loan they desired. They only asked for three and one-half years at first, but some three or four weeks subsequent it dawned upon the railroads that they wanted the loan and the financial aid for a little longer period. Again they came and knocked at the door of Congress, asking that the period for the loan be extended. There was great responsiveness, and the request was promptly granted.

But when the agricultural interests of the country, the fruit growers of the country—of my section and other parts of the Union—appeal to Congress and try to get some relief against excessive freight and express rates, which are working so disastrously to those industries, then other business is too important and we have not time to consider those questions just at present. We can lay aside the Agricultural appropriation bill to provide some relief for the railroads, but the idea of laying aside a railroad bill to provide some relief to the overtaxed industries and agricultural interests of the country on account of excessive freight rates and express rates is thought preposterous, by some at least.

There is an upheaval of sentiment in the country against the present system of excessive rate making on the part of the railroads. From my own State I am receiving almost daily communications from farmers' organizations, commercial organizations, merchant associations, and from the private truck farmer and private citrus-fruit grower in protest against the present rates. It is asked here, "Are we not going to give the railroads a reasonable rate?" Yes; I think they are entitled to a reasonable rate, and that is what we are pleading for—reasonable rates; but we think also that the industries of the country, which are

the support of the railroads, are entitled to reasonable rates, and that in the rate structure the condition of the industries should be considered and the rates should be so fixed as to allow those industries to prosper, instead of having rates fixed that will stifle them and destroy them.

Down in my State we produce great quantities of perishable products. Under the old régime of the railroads years ago, with high and excessive rates, the trucking industry and the citrus-fruit industry amounted to very little. It was only some 10 or 15 years ago, when the railroads adopted the wise policy of trying to give rates that would encourage those industries, that we began to see expansion and development in the citrus-fruit industry and in the truck farming of the State. Under the prewar rates, which are ample and sufficient for present conditions, our citrus-fruit industry was spreading most rapidly. Thousands and thousands of acres of additional groves were being planted each year. In localities suited for vegetable growing, instead of there being probably only 100 or 200 acres, we found the industry expanding until there were thousands and thousands of acres utilized in the production of all kinds of truck.

However, Mr. President, to-day, when the farmer has to pay \$434 freight to get a carload of lettuce for a distance of 1,200 miles, there is but little hope for him; there is but little hope for the expansion; yea, there is but little hope for the maintenance of the existing conditions in my State, so far as truck farming is concerned. The same thing is true of the citrus-fruit industry.

The railroads of certain sections of this country exercise some wisdom in the fixing of their rates and try to accommodate themselves to the situation. As an illustration, take the rate upon citrus fruit from California to the East. I have had some tables compiled upon the subject.

Mr. GRONNA. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from North Dakota?

Mr. TRAMMELL. I yield.

Mr. GRONNA. The Senator from Florida has called attention to the freight charge on a carload of fresh vegetables. Will the Senator kindly give us the information as to what the producer got out of that carload?

Mr. TRAMMELL. I have the report here giving that information. The producer received \$10.86. He received less than 4 cents a crate for his cabbage and lettuce, and the railroad received for the freight on the cabbage and lettuce about \$1.15 a crate.

Mr. President, I repeat the previous statement of my position, that the difference between the excessive rate and what would be a reasonable rate for the moving of such products gives an element of safety to the producer against loss. I think that a system of rates that would protect the producer and at the same time leave a reasonable return to the railroad operator for his service would be an equitable and just system, and one to which the industries of the country are entitled.

Mr. POMERENE. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Ohio?

Mr. TRAMMELL. Certainly, Mr. President.

Mr. POMERENE. The Senator from Florida proposes by his amendment to change the rule which was fixed for the Interstate Commerce Commission in the determination of rates by reducing the net return from 5½ per cent on the aggregate value of their property to 3½ per cent. That 5½ per cent means the average rate on the aggregate value of the railway property in all the country or in groups. If the return is to be reduced to 3½ per cent, then there will be some railroads as to which the earnings will be very much less than 3½ per cent and a few, perhaps, whose earnings would be more than 3½ per cent.

As I recall, during the hearings it was established that there are railroad bonds maturing which are drawing from 4 to 5 per cent, which will aggregate during the current year something in the neighborhood of \$300,000,000. Similar amounts will be maturing for some years in the future. If the Senator desires to reduce the average earnings of the railroads to 3½ per cent, can he tell the Senate where they would get money with which to refund those bonds now, and which draw 4 or 4½ per cent?

Mr. TRAMMELL. I should like to ask the Senator if he can tell me where the farmers and fruit growers in my State can get the money with which to pay for their fertilizer and to meet the obligations which they have assumed on account of their crops under the present existing freight rates?

Mr. POMERENE. Mr. President, the Senator from Florida knows he is not answering my question. My position is that

if freight rates are excessive, then there is an Interstate Commerce Commission whose duty it is to reduce them; and no doubt, if they are excessive, the Interstate Commerce Commission will reduce them. Of course, if the Senator from Florida has no concern for the transportation systems, if he would rather have the railroads in the hands of receivers so that there would be no means of shipment for citrus fruits—if that is the way he desires to serve his constituents, then I have nothing further to say.

Mr. TRAMMELL. Mr. President, I have not intimated that, but if we are to engage in conjecture I might as well indulge the thought, from the position taken by the Senator from Ohio, that if there is any crushing done he wants to crush the agricultural interests of the country and to preserve the railroad interests. So far as I am concerned, I say that if we are going to preserve any particular interest we should preserve the agricultural interest of the country and the other industries of the country. I know some seem to take the position that the railroads have built up the country. The railroads have been wonderful factors in its development, and on that account they have received decided advantages over the general public in a great many States of the Union; but, Mr. President, without the industries to support the railroads the railroads would necessarily go into bankruptcy. My idea is that we should harmonize the interests of both; that we must not place upon a pedestal the interests of the railroads of the country and entirely ignore the interests of the people upon whom the burden of their rates is imposed. This bill no more nor less than authorizes the railroads to become a taxing power against the American people. That is what it authorizes.

Senators talk about the returns to the bondholders and stockholders of the railroads. One of the difficulties we face to-day when it comes to the question of dealing with railroad rates is the overcapitalization of the railroads. There are many roads in the United States which are capitalized per mile at two, three, and even quadruple the actual expenditures on those properties; and yet, forsooth, when it is said that they should not have 5½ per cent on their watered stock, their speculative stock, and all other kinds of stock which they have authorized, then some one gets up and says that we wish to crush the railroads; we want to put them into bankruptcy. Nobody wants to put them into bankruptcy; but we want a fair deal for the people of this country who have to bear the burden of the maintenance of the railroads. I say that if under present existing rates the railroads are not earning more than 3½ per cent, then I propose to offer an amendment to the present bill to cut down their earnings to 3 per cent, and if it comes to a question of what will become of the stockholders of the railroads, they will take care of themselves; they will then, if we allow them 3 per cent, have more net earnings than the people of the country, generally speaking, who are supporting the railroads.

Take, for instance, the grower of agricultural products, citrus fruits and vegetables, in my State. When he ships a carload of his product and gets back a net return of \$10.86, or \$15 or \$20, he is not receiving nearly as much as the railroad receives for hauling the car of freight.

Mr. KENYON. Mr. President, I should like to ask the Senator what has been done in his State in regard to intrastate rates? Has the Interstate Commerce Commission sought to fix intrastate rates in the State of Florida?

Mr. TRAMMELL. It is my understanding that they have sought to fix them, but I think our railroad commission has been resisting that effort. I understand the Senator has an amendment dealing with that aspect of the question.

Mr. KENYON. I offered an amendment to the original railroad bill in the form of a new bill, but I do not know whether or not I shall offer it to this bill; I think, perhaps, I shall.

Mr. TRAMMELL. Mr. President, I am heartily in sympathy with that; I think that the Interstate Commerce Commission should not control intrastate rates.

Mr. KENYON. Does the Senator believe that it was the intention of Congress in passing the Cummins-Esch bill to give the Interstate Commerce Commission the power to fix intrastate rates?

Mr. TRAMMELL. I am quite sure that some of those who importuned me to support the bill and who themselves were supporting it said that that power would not be given in the case of intrastate rates. I expressed some apprehension at the time the bill was pending upon that very point, but I was assured by the advocates of the bill—at least, by some of them—that it would not interfere with intrastate rates. I hope that such an amendment will be adopted. In the case of my State, for instance, one of our largest railroad systems is entirely an intrastate railroad, and it is a great injustice for the Interstate Commerce Commission to come into my State and, deal-

ing with one of our three largest systems, the largest one being entirely an intrastate carrier, to attempt to fix our intrastate rates.

Mr. KING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Utah?

Mr. TRAMMELL. I yield.

Mr. KING. May I inquire of the Senator whether they attempt to fix rates where a railroad, or some of its branches, at least, passes beyond the boundaries of the State, but where the commodities have their origin within the State and are shipped to a destination within the State?

Mr. TRAMMELL. Mr. President, I am not familiar with the status in my State at the present time, but I know there has been some effort made to fix intrastate rates. As to the details I am not positive; I know the effort has been resisted by our State railroad commission.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, in the press reports, I think of yesterday, I saw that in the State of North Carolina it was reported that the Interstate Commerce Commission had fixed intrastate rates and in doing so had increased them over what they were previous to that action on the part of the Interstate Commerce Commission.

Mr. SMITH of Georgia. Their claim is, as I understand, that where the intrastate rates affect the interstate rates they have a right to control the intrastate rates. That is about the contention.

Mr. KING. I was about to inquire of the Senator from Florida, with his permission, if that view was not taken, how could they control the system and insure the returns which are provided in the Esch-Cummins bill? If they did not have control, then one State might establish such low freight and passenger charges as to make the operation of a road unprofitable, and an additional burden would then be laid upon people within other States. So it seems to me that the whole system as devised by the Esch-Cummins bill is wrong. It is foredoomed to failure, and we will soon be confronted with a railroad catastrophe the extent of which will exceed the gloomy forebodings of many persons to-day.

Mr. TRAMMELL. Mr. President, I will not attempt to go into the question of intrastate rates and the conflict which arises between State railroad commissions and the Interstate Commerce Commission. I will say, however, that prior to the existing law, or prior to the war, at least, when all control over intrastate rates by State railroad commissions was suspended, the policy of State control of intrastate rates was in existence in the country. In my own State and in other States of the Union the State commissions controlled the intrastate rates and the Interstate Commerce Commission controlled the interstate rates.

Mr. President, I was diverted a few moments ago when I had entered upon the question of the disposition, at least on the part of some of the railroads of the country, to act wisely in making rates and to try to make those rates conform somewhat to the needs of the industries involved; and yet sometimes when that is done it is in conflict with other particular sections of the country. As illustrative of what I mean, take the western roads.

The western roads haul oranges and grapefruit from the citrus-fruit centers of California to Philadelphia, New York, and the principal eastern markets at \$1.53 a crate, when the railroads in the East and in the South charge an average of about \$1.25 or \$1.30 per crate for hauling a box of fruit for only about one-third of the same distance. So this demonstrates the fact that railroads can haul the citrus fruits, at least from my own section of the country, cheaper than they are doing it and pursue thereby a policy of "live and let live." If that is not true, why is it that they haul them from California clear across the continent to the eastern markets for about 20 or 25 cents a crate more than is charged from the citrus-fruit localities of the South, which are almost at the door of these eastern markets?

We have another illustration of what railroads can do when they want to try to assist the industries of the country, either agricultural or otherwise, in my own State. Take the Florida East Coast Railroad. The Florida East Coast Railroad, being desirous of encouraging tonnage from Cuba, fixes a rate upon pineapples and oranges and other products from Key West, Fla., to Jacksonville that is practically the same as it is from Miami, Fort Lauderdale, West Palm Beach, Fort Pierce, and other Florida towns ranging from 100 to 200 miles nearer to Jacksonville than Key West.

Mr. PITTMAN. Mr. President, will the Senator allow me to interrupt him there?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Nevada?

Mr. TRAMMELL. Certainly.

Mr. PITTMAN. That illustrates the necessity of depriving the Interstate Commerce Commission of the right to permit a greater charge for a short haul than for a long haul. We have been suffering from that discrimination in the West for years, and are now. I am very pleased to have the Senator from Florida recognize the same discrimination in his own State, and I think that if Senators will look over their own States they will find that this discrimination exists in every State.

I have introduced a bill, which is now before the Interstate Commerce Committee, striking out the proviso which grants authority to the Interstate Commerce Commission to permit railroads to charge more for a short haul than for a long haul along the same line of transportation. I have that bill here now, and it is my purpose to offer it as an amendment to this bill when the proper time arrives. If that amendment is adopted, then, under the general act, that discrimination could not be consummated.

Mr. TRAMMELL. Mr. President, I was just speaking about the disposition of railroads to accommodate themselves to conditions when they wish to do so, and to haul from Key West to Jacksonville as cheaply as they haul from points 100 or 200 miles north of that within our own State. Of course, in that instance the advantage is given to the products of Cuba as against the products of the United States. That is what that means. It means that the railroads can bring in the Cuban oranges, the Cuban pineapples, and any other products that they haul, and put them on the northern markets and the eastern markets at a freight rate that is about equal to what our Florida people have to pay upon their similar products—a discrimination against Florida and the United States in the interest of Cuba on the part of this railroad company.

Mr. President, I propose that a new section be added to this bill. I send to the desk the amendment that I desire to offer.

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator desire its immediate consideration?

Mr. TRAMMELL. I desire to offer it to the bill.

The PRESIDING OFFICER. The Secretary will state the amendment.

Mr. TRAMMELL. I do not think this amendment accomplishes the purpose so well as the amendment presented by the Senator from Arkansas [Mr. KIEBY]. I believe that to repeal the law which fixes the amount that may be allowed would be better than to attempt to prescribe a maximum; but, as we can accomplish nothing along that line, I am intensely interested in the matter of trying to get better freight rates. Therefore I offer the amendment to cut down the percentage that they shall be authorized to make. If we can not get at this proposition in one way, then I want to get at it in another way, and therefore I propose this amendment.

Mr. President, I want it distinctly understood that there is no disposition on my part to keep the railroads from making a reasonable return upon their actual investment, but I do not believe that in order to have prosperity in this country you have got to allow the railroad interests to control and to dominate on the question of freight rates, on the question of passenger rates, and every other problem in which they are interested. I want to be fair with them, but I want them to be treated just as we treat every other interest in the country, and there are two sides to this question. You have got to consider the interests of the man who is to contribute the funds to support and maintain the railroads. If you crush him, if you crush his industry, then you have certainly killed and destroyed the goose that lays the golden egg.

The PRESIDING OFFICER. The Secretary will state the amendment of the Senator from Florida.

The READING CLERK. On page 2, after line 21, it is proposed to insert the following:

That paragraph 3 of section 15a of the Interstate Commerce act of February 4, 1887, as amended by an act approved February 28, 1920, be, and the same is hereby, amended as follows:

In paragraph 3, strike out the figure "5½" and insert in lieu thereof "3."

Mr. SMITH of Georgia. Mr. President, we can all remember the pressure under which the Esch-Cummins bill was passed. My recollection is that the President had announced a fixed purpose of returning the railroads to their owners on the 1st of March, and we were only two or three days from the 1st of March when this conference report came in.

I understood at the time that an effort was made to induce the President to postpone his order until July 1 that further time might be had to study this measure, and to put it in more satisfactory shape.

I found at the time many things in the bill that I did not approve, and the more I have studied it since the more things I have found in it that to me are very objectionable. I hope that Congress will take up that measure and remodel it in the near future under such circumstances that they can take their time and act in view of the experience we have had under the measure.

Passenger rates have gone up nearly 100 per cent above what they were in 1914. Freight rates have gone up enormously, and the freight rates now have almost passed the point where the traffic can bear them.

Passenger travel is lessening on account of the excessive rates, and I should not be at all surprised if the revenue of the railroads were decreased by the passenger rates charged. I know it must be decreased by the freight rates charged.

The freight rates on many commodities now are such that they can not be handled to market and be sold there. There are many commodities on which the freight rates are so high that the producer gets nothing if he ships them.

These are serious questions. If the railroads are obliged to have these excessive rates, then there is some trouble somewhere. On the one hand, it is charged that the managements are not efficient. We all know that the wages paid to some of the employees are excessive. If the employees, under a good management, are being paid more than the traffic can bear, then the employees ought to realize that they must be willing to reduce their compensation or give up their jobs, because the business will stop.

Mr. KELLOGG. Mr. President—

Mr. SMITH of Georgia. I yield to the Senator.

Mr. KELLOGG. The Senator is aware, is he not, that the rates of pay of the employees are fixed by the Railroad Wage Board?

Mr. SMITH of Georgia. Yes.

Mr. KELLOGG. And that the wages of employees on the railroads have increased since 1917 from \$1,739,000,000 to \$3,800,000,000—more than 100 per cent?

Mr. SMITH of Georgia. Yes.

Mr. KELLOGG. And that the railroads themselves have no control over those wages; that control is in the hands of the wage board?

Mr. SMITH of Georgia. Yes; but let me ask the Senator a question: Is not two-thirds of the wage board made up of employees and employers, or the majority, at least, made up of employers and employees?

Mr. KELLOGG. Two-thirds of the board were appointed from nominees by the employees and the employers; but there are three representatives of the public, and one of those must concur in order to raise wages, and they were raised last June \$625,000,000 above what they were before.

Mr. SMITH of Georgia. Now, if we guarantee to the operators a certain per cent of profit, and the operators and the employees make up a majority of the board, can they not cooperate to put up the pay of both?

Mr. KELLOGG. I do not think any such thing has been done. I think they are doing everything they can to reduce them. In fact, many of the railroads have discharged something like 20 per cent of the extra employees. The number of employees during Government operation, without any increase of business, was increased 237,000, which means an added charge of over \$300,000,000 a year, and those unnecessary employees are being discharged now.

Mr. SMITH of Georgia. Who did that?

Mr. KELLOGG. The Government operation increased the number something like 237,000 employees.

Mr. SMITH of Georgia. I have no doubt that many of the troubles grew out of Government operation. I never thought it necessary. I never thought there was any law under which they could be legally taken over.

Mr. KELLOGG. The Senator is aware that this 5½ per cent is not a guaranty. They are required to fix the rates as nearly as may be to produce that, but they do not produce such a sum, and I know that the commission and railroads realize that they can not make rates now which will produce 5½ per cent. As I suggested—and I do not know whether the Senator was in the Chamber or not—the actual income of the roads since the rates were increased last September is as follows:

In September, 1920, they earned 4.1 per cent upon the value fixed by the commission; in October, 4.6; in November, 3.3; in December, 1.1; or an average of 3.3 per cent.

Everybody realizes that they can not get the balance. Does the Senator believe Congress has any power to say that 3 per cent is a fair return upon property devoted to public use?

Mr. SMITH of Georgia. No.

Mr. KELLOGG. Has Congress any power to say that 3 per cent is a fair return?

Mr. SMITH of Georgia. No. But the Senator has been a student of this problem, and I want to ask him what the trouble is.

Mr. KELLOGG. Mr. President, I think if business in this country had kept up as it was in August and September and October of last year, the railroads would have been earning a fair and reasonable return. But, as the Senator knows, in November the bottom dropped out of business in this country. In my section of the country many of the roads' tonnage decreased almost 50 per cent. I think it is an extraordinary period, and I know that the railroads believe and the Interstate Commerce Commission believe that the traffic will come back, and when it comes back, with the gradual reduction of the operating expenses, they will be able and hope to reduce rates, and readjust the rates.

Mr. SMITH of Georgia. But does not the Senator think that the present rates are so high that they are an excessive burden upon commerce?

Mr. KELLOGG. I think in some instances they are, and I think they will be changed; but, as the Senator knows, we can not fix a schedule of rates by legislation.

Mr. SMITH of Georgia. Taking the whole scale of employees' pay, does the Senator think their pay is reasonable or excessive?

Mr. KELLOGG. I do not think the wages of some of the standard employees are too high, considering the cost of living. I think one of the great mistakes made by the director general was standardizing all wages of the United States. In other words, a man who is working upon the track in a country district in the South does not need, in order to live, the wages required by one working in New York City. A station agent on a railroad having one train a day should not be paid what a station agent who devotes his entire time to it in a thickly populated district having a heavy traffic gets. I think that has cost millions and millions of dollars, and that has to be readjusted. Of course, it is easy to look back and criticize, I realize, but another thing I think the director general made a mistake in was in unreasonably increasing the number of employees. Many of the heads of unions have told me and have written me that that was a fact, and many of the railroads have been enabled to largely cut down the number of their employees, some of them as high as 20 per cent, in certain branches of their business.

The standardization, which means in all industry stagnation, has cost the railroads of this country an enormous amount of money. But that can not be worked out in a day. They are doing all they can, I think, to work out that problem. This bill is to pay a debt which the Government owes.

Mr. SMITH of Georgia. I shall vote for this bill, although I find much to condemn in the Esch-Cummins Act.

Mr. KELLOGG. Furthermore, although I do not wish to take too much of the Senator's time, he must realize that when the roads were turned back, in March, 1920, they were practically not earning one dollar, and they were not allowed to decrease the pay of their employees for six months, or to increase their rates until the commission considered the whole subject. Not only that, but immediately after they were turned back, or a short time after, the wage board added \$625,000,000 more.

Mr. SMITH of Georgia. Why was that done?

Mr. KELLOGG. The wage board thought that the class of employees who were embraced in their order ought to have an increase, as I understand, and they granted it.

The Senator must realize that when the roads were taken over, after nine months' operation by the Government during the war, they were earning a gross income of about \$4,000,000,000 and a net income of \$898,000,000, enough to pay the interest on all their bonds, and many of them enough to pay a reasonable dividend and some of them a large dividend. In two years every dollar of the net earnings had been taken up in operating expenses, so that they were turned back without practically a dollar's income. I think the last month they were in the Government's hands they earned 0.94 of 1 per cent of their value as fixed by the commission.

Mr. KIRBY. Mr. President—

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Arkansas?

Mr. SMITH of Georgia. I yielded to the Senator from Minnesota.

Mr. KIRBY. I want to ask the Senator from Minnesota a question.

Mr. SMITH of Georgia. The Senator from Arkansas would like to ask the Senator from Minnesota a question, and if the Senator from Minnesota agrees I yield for that purpose.

Mr. KELLOGG. I will answer it if I can.

Mr. KIRBY. The Senator mentioned the wage board just now.

Mr. KELLOGG. Yes.

Mr. KIRBY. Is there any fair analogy between the wage board and the Interstate Commerce Commission, when this law required the Interstate Commerce Commission to allow the levy of rates high enough to pay 5½ per cent? Would the Senator think it was fair to say to the wage board that they should allow wages which would amount to a certain percentage? We did not prescribe anything in the wage law as to the percentage they should allow, but we prescribed in the case of the Interstate Commerce Commission that they should allow a rate which would return 5½ per cent, and that takes away the discretion of the Interstate Commerce Commission and destroys the right of the public to demand reasonable adjustments of compensation.

Mr. KELLOGG. The Senator will realize the fact that the 5½ per cent was put in for two years in order that the commission should have a standard to go by. Congress has power to provide that a public utility shall receive only a fair rate of income; for instance, we will say a fair rate of interest on its investment. That is the extent to which the power of Congress goes. Congress has no power to say that 2 per cent or 1 per cent or no per cent is a fair rate. The Wage Board was given power to consider all the wages and working conditions, and it did. I think perhaps they did not have the time to give it the careful study they should have given it, but they felt as though the increase which they gave in June, I think it was, was as to the class of employees which they considered entitled to a fair increase, and I am not in any position to dispute their judgment on that subject.

Mr. SMITH of Georgia. Mr. President, I agree with much the Senator from Minnesota has said. I realize the seriousness of the situation. I only wanted to emphasize, in behalf of those who are carried as passengers and those who furnish the freight, that they are now bearing burdens which they can not stand. Passenger travel is decreasing on account of excessive rates, and the freight traffic to-day can not stand the charges which are being put upon it. Transportation will be cut down and business be lessened unless rates are lowered.

It may be, it is entirely probable, that the Senator is right, that one of the blunders made was undertaking to standardize compensation everywhere. For instance, in the southern part of my State, where the climate is very mild and where but little coal is needed in the winter, and where lands are quite reasonable, section hands can pick up a living on a little piece of land almost while they do their regular work upon the roads, and yet they are being paid, I understand, over \$100 a month, when the same labor works upon the farm for \$30 a month.

If it was the standardization and unnecessary employments which have brought such burdens upon the traveling and freight-paying public, then there should be speedy changes to bring relief.

One thing is true, and owners and operatives of railroads might as well get it into their minds, something must be done to lessen the cost of carrying passengers and freight, or the business of the country will be paralyzed, and, in my opinion, part of the depression which rests upon business to-day is the excessive burden of transportation. I trust the railroad problem may at an early day receive full consideration, when the Esch-Cummins Act will be substantially changed. When that time comes I trust the rights of the great consuming and producing public may receive more consideration.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Florida [Mr. TRAMMELL].

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FERNALD (when his name was called). Making the same announcement as on the previous vote, I vote "nay."

Mr. KENDRICK (when his name was called). Making the same announcement with reference to my pair with the Senator from New Mexico [Mr. FALL], I withhold my vote.

Mr. POMERENE (when his name was called). Again announcing my pair with the senior Senator from Iowa [Mr. CUMMINS], I am advised that he would if present vote the same way that I intend to vote. I therefore feel privileged to vote, I vote "nay."

The roll call was concluded.

Mr. HENDERSON. Making the same announcement with reference to my pair, I transfer that pair to the junior Senator from California [Mr. PHELAN] and vote "nay."

Mr. TOWNSEND. I wish to announce again that it is my understanding that the senior Senator from Arkansas [Mr. ROBINSON], with whom I am paired, would vote "nay" on this question, and I therefore feel at liberty to vote. I vote "nay."

Mr. CURTIS. I desire to announce the following pairs:

The Senator from New Jersey [Mr. EDGE] with the Senator from Oklahoma [Mr. OWEN];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from West Virginia [Mr. ELKINS] with the Senator from Mississippi [Mr. HARRISON]; and

The Senator from Illinois [Mr. SHERMAN] with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas 7, nays 61, as follows:

YEAS—7.

Ashurst	Gore	Harris	Trammell
Fletcher	Gronna	La Follette	

NAYS—61.

Ball	Hale	New	Stanley
Beckham	Heflin	Overman	Sterling
Brandegee	Henderson	Philpps	Sutherland
Calder	Hitchcock	Pittman	Swanson
Capper	Jones, N. Mex.	Poinexter	Thomas
Colt	Jones, Wash.	Pomerene	Townsend
Culberson	Kellogg	Ransdell	Underwood
Curtis	Kirby	Reed	Wadsworth
Dial	Knox	Sheppard	Walsh, Mont.
Dillingham	Lenroot	Shields	Warren
Fernald	Lodge	Simmons	Watson
France	McKellar	Smith, Ariz.	Willis
Frelinghuysen	McLean	Smith, Md.	Wolcott
Gay	Moses	Smith, S. C.	
Gerry	Myers	Smoot	
Gooding	Nelson	Spencer	

NOT VOTING—28.

Borah	Harrison	McCormick	Penrose
Chamberlain	Johnson, Calif.	McCumber	Phelan
Cummins	Johnson, S. Dak.	McNary	Robinson
Edge	Kendrick	Newberry	Sherman
Elkins	Kenyon	Norris	Smith, Ga.
Fall	Keyes	Owen	Walsh, Mass.
Glass	King	Page	Williams

So Mr. TRAMMELL'S amendment was rejected.

Mr. TRAMMELL. Mr. President, I desire to offer the same amendment, limiting the income to 4 per cent instead of 3 per cent, as proposed in the last amendment.

Mr. SMITH of Georgia. Mr. President, I wish to ask the Senator from Florida whether his amendment limits it to 4 per cent or limits the practical guarantee to 4 per cent?

Mr. TRAMMELL. It seeks to reduce the income from 5½ to 4 per cent.

Mr. SMITH of Georgia. It limits the figure at which the Interstate Commerce Commission must fix the freight rates so as to cover probably that amount?

Mr. TRAMMELL. That is my understanding of it. The present law does not prescribe a maximum, except in that it provides that after they earn more than a certain amount the excess shall be placed in the betterment fund. That is really the only maximum of limitation upon the amount that may be earned. The object of the law specifically sets forth that 5½ per cent would be considered a reasonable return, the standard being fixed, as I understood it, at the suggestion of the railroads of the country, doubtless because those interests were apprehensive that if this rate was not prescribed as a just and reasonable rate, then the Interstate Commerce Commission, exercising its jurisdiction in the matter of fixing just and reasonable rates, might see fit to fix a lesser rate. Of course, I know when we say the Interstate Commerce Commission may fix a rate as low as 3 per cent that they may, in their discretion, in the adjustment of rates, allow more than 3 per cent, and that means substantially more, as far as percentage is concerned.

I offer the amendment in the light of the disclosure here to-day that the railroads under the present rates claim they are not making more than 3 per cent. If they are not making over 3 per cent at the present time, we do not want to authorize them to extend or increase the existing rates. Instead, the rates, both freight and passenger, should be reduced.

It was based upon the information furnished by the Senator from Minnesota [Mr. KELLOGG] that the present rates were not producing 3 per cent, or very little over, that I offered the amendment to strike out 5½ per cent and to insert 3, and I now propose to strike out 5½ per cent and insert 4. I am not quibbling over percentages, but striking at the main issue involved, and that is whether the present existing rates shall be increased if the railroads desire to increase them. I say that it appears to me they can not increase them even if they have a desire to increase them. On the other hand, I insist, if the industries of the country which are supporting the railroads are to prosper, that the rates should be reduced, and if we bring about prosperity to

the industries we contribute to the earnings of the railroads, and instead of crushing those industries we will benefit them and the railroads themselves will be more prosperous.

Mr. MYERS. Mr. President, I should like to ask the Senator a question.

Mr. TRAMMELL. I yield.

Mr. MYERS. A majority of the railroads in the country now are not paying expenses and are not making enough to meet running expenses and the interest on their obligations. If the Senator is going to cut down the amount of revenue that they may earn upon their business, where would he have the money come from to pay the railroads' expenses and a reasonable rate of interest? Where will it come from? Where will they get it?

Mr. TRAMMELL. I suppose the query is based on the thought of the Senator that it should be done by increased freight rates and passenger rates.

Mr. MYERS. I am asking where the Senator would get the money? In what way could it be gotten?

Mr. TRAMMELL. I am not a railroad expert or an expert in the matter of freight rates, but I know, from the object lesson that we have before us, that the greatly increased rates do not produce an increased net income to the railroads. The fact is stated here by the Senator from Minnesota [Mr. KELLOGG] that they have earned very little over 3 per cent under the present basis of increased rates. Some one else will have to find a remedy and a means whereby to increase the percentage of earnings of the railroads that will be more successful than the present exorbitant rates. They have not brought about that result. In my opinion more reasonable rates would increase the volume of railroad business and that would increase the net earnings of the roads. Certainly when the rates are so high that they cause a great reduction in the tonnage moved you do not help the finances of the roads.

Mr. MYERS. Does the Senator know the reason why the railroads are not making operating expenses and a reasonable rate of interest?

Mr. TRAMMELL. I do not know all the reasons why they are not doing it. One strong reason is their earnings have been very much reduced because they are paralyzing great industries, simply paralyzing them, by overtaxation in the nature of exorbitant rates. In my own State fields of lettuce and other crops are going to waste, and in some instances the farmers have become disgusted and disheartened and are plowing them up because they can not afford to pay \$400 or \$500 freight on a carload of produce shipped to Philadelphia or New York, a distance of twelve or fourteen hundred miles.

Mr. MYERS. I would suggest to the Senator that one very cogent reason is the fact that the railroads are paying their employees now more than \$2,000,000,000 per year in excess of what they did before the Government took the railroads over before the war.

Mr. TRAMMELL. That is very true, and the railroads are wanting greater earnings than they ever had heretofore. They have more than doubled their rates. That seems to be the trend and tendency of the times, as I think it has been in all other times, for almost everybody to get everything they can. Of course, the employees have had their wages increased, and in a great many instances very justly so and probably in some instances not justly so, but that does not relieve the fact that a great part of the increase in freight rates does not go to the employees. Recently, in traveling, I have heard much complaint about passenger and Pullman charges. Those kicking almost invariably ascribe all of the increase absolutely to labor. It seems to me that that is the disposition of my friend from Montana; that is, I infer so from his suggestion.

Mr. MYERS. I named that as being one of the principal factors, and I think it is.

Mr. TRAMMELL. That is by no means the only one, but it is very seldom that I ever hear of others.

Mr. MYERS. If the Senator has in mind others, I wish he would name them.

Mr. TRAMMELL. The freight rates under the present law was increased ranging from 25 to 43 per cent, and, with juggling, I believe, in many instances, the increase ran up to 50 per cent, absolutely paralyzing many of the industries of the country. The whole increase has been ascribed to the burden imposed by the expense for labor; it was said by some that labor caused all the increase.

This can not be true. As a matter of fact, it was published in the Washington newspapers at the time that of the last rate increase about 16 per cent represented the increased wages of labor, and 84 per cent was due to other causes, such as expenditures for improvements, and engines, betterments, and I do not know what all; but, at any rate, labor was having to

answer for the whole hundred per cent increase, when it was demonstrated that only 16 per cent of it was due to the increased price of wages. Let us be fair.

I do not know the details of the amounts paid to the different employees of the railroads. I know that it is claimed that some of them are getting too much under present conditions; but in a great many instances, probably in a majority of instances, for the class of work they do, for the responsible positions which they occupy, for the danger to which they are subjected, they are not receiving too much compensation, considering the present high costs of living. I do not think that we should in protesting against excessive railroad rates assume that they are excessive because of the fact that the laboring man's wages have been increased. Every element bringing about the high rates should be considered. That is the only fair way to look upon the question.

Mr. MYERS. I do not think that any of them are getting too much, but I merely mentioned that fact to show that that is where more than \$2,000,000,000 a year go in excess of the amount paid two years ago.

Mr. TRAMMELL. If we wish to take up the question of slicing wages, let us start at the head of the list; let us eliminate the salaries of \$50,000 and \$100,000 which are now paid to railroad presidents and directors. I hear talk about the flagman and the conductor and the engineer and the trainman, who occupy the more humble positions, getting too much wages, but for the first time I have to hear the Senator who complains at this rise in the Senate and condemn the practice of paying excessive salaries to the big officials of the railroads.

I believe in starting at the top of the list when we come to trim. I remember one instance during my official connection with a public position in my State. It was when the European war came on and the cry of the times was "Reduce wages; trim your sails and get ready for hard times." So it was suggested that wages on certain public work be reduced 10 per cent. We had probably 300 or 400 men engaged in that particular work. That is where they wanted to start. It was proposed to start by reducing the salaries of those poor fellows, a great many of them wading around in the mud, a great many of them sleeping with a lightwood knot for a pillow at night. They proposed a 10 per cent reduction in the wages of that kind of employees. I said, "Gentlemen, if you want to cut down wages 10 per cent, let us start at the top of the ladder, with those who are receiving the largest salaries. Suppose we reduce the salary of each one of the State officials, including myself, 10 per cent and put into the State treasury the amount thus saved. It goes without saying that the salaries were not reduced. I have not gone into the wage question of the railroads with any minuteness, but I say, Mr. President, that in justice and in fairness if we are going to talk about excessive amounts being paid for wages to those who are operating and maintaining our railroads, then we might say a little something with some sense of propriety about those receiving the enormous salaries of \$50,000, \$75,000, and \$100,000 to direct these great enterprises; but we never hear anything about that.

I offer the amendment, Mr. President. I am not sticking on the question, as I have said, of percentages. I know 3 per cent sounds small, 4 per cent sounds small, but the present freight rates which are being imposed upon the people do not sound small, and in their burdens they are not light and frivolous, but they are imposing taxes upon the people of the country that are practically beyond endurance. I think the rates should be revised and made so equitable and reasonable that industry, agriculture and otherwise, would be encouraged instead of hampered as at present under existing rates.

It has been stated here upon the floor that the present schedule of rates earns but a very small fraction over 3 per cent. The question has been asked how are the railroads going to pay their bonds? Well, how are they paying them now? Is it proposed to increase the rates and decrease business? That has been about the result of it. We had better have a little decrease of rates and an increase of tonnage to the railroads and an increase of fostering and prospering of the industries of the country which necessarily have to contribute to the freight burden. Again I say I want to be fair to the railroads but I want them to be fair to those who pay the freight. The present high rates have not made the railroads prosper and I would like to see them prosperous, and with nothing accomplished for the companies disaster has fallen upon many of the industries of the country as a result of the high rates. We need a remedy.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Florida [Mr. TRAMMELL].

The amendment was rejected.

Mr. HARRIS. Mr. President, several weeks ago I took up the question of railroad rates with the Interstate Commerce Commission. I ask unanimous consent to be allowed to print in the RECORD the correspondence with the commission on the subject.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

DECEMBER 21, 1920.

HON. EDGAR E. CLARK,

*Chairman Interstate Commerce Commission,
Washington, D. C.*

MY DEAR MR. CHAIRMAN: It has been brought to my attention by many people in Georgia and those whom I see here that the present high passenger and freight rates are doing more to decrease the amount of income received by the railroads than if a lower rate was in effect, which would cause more freight to move and more people to travel. In other words, the railroads are not carrying an average maximum of freight and passengers since the increase in rates. Of course, the commission doubtless has figures on this question which throw more light than I can by general observations.

It is needless for me to point out to you and the commission that the railroad situation is a problem which has not been solved to any great degree by the transportation act of 1920. The thing which I am greatly interested in is the matter of freight and passenger rates to be placed within reach of the average person, and at the same time give the railroads a reasonable income for their investment. Both the public and the roads deserve an honest living, but I fear that both are now suffering. Because of high freight rates there are products in my State which are now being shipped in such small quantities in comparison with production and demand.

I hope that an adjustment can soon be made which will bring down the rates, and I would thank you to let me have any information on the matter at your convenience which may have been gathered or published by the commission.

With high esteem, I am,
Very sincerely, yours,

WM. J. HARRIS.

*INTERSTATE COMMERCE COMMISSION,
Washington, December 22, 1920.*

HON. WILLIAM J. HARRIS,

United States Senate.

DEAR SENATOR: I have your letter of the 21st, referring to expressions that have reached you to the effect that the existing passenger fares and freight rates are so high as to reduce travel and traffic, and consequently the revenues of the carriers.

Your expressed desire to see freight rates and passenger fares "placed within reach of the average person and at the same time give the railroads a reasonable income for their investment" is one in which we all cordially join. The railroad owners and managements naturally put the maximum estimate upon their necessities and deserts. The average shipper or traveler naturally minimizes the necessities and deserts of the roads and puts the maximum estimate upon his own interests and rights. It is no simple problem to strike the balance of right and equity as between the two. Times are abnormal and conditions generally are affected by the aftermath of the war. It is trite to say that the country must get back to a more normal condition and more normal bases for commerce, industry, and transportation. It is not to be expected that we will get back to prewar prices for labor, commodities, or for transportation, but it is to be expected and really is necessary to get back to a situation in which the prices of labor, commodities, and transportation will bear proper relative proportions.

The transportation act became law coincidentally with the termination of Federal control of the roads. The period within which the readjustment of rates contemplated by that act and recognized as necessary by everybody must be made was short, and the matter had to be dealt with in a broad and somewhat general way. The propriety of that line of action was recognized by those interested on both sides, as was also the necessity for readjustments. Naturally in those readjustments the interests of the carriers and of their patrons are in conflict and their views diverge. The financial results from operation of the roads by the Government are well known, as is also the fact that the level of operating expenses had risen out of all proportion to the revenues from the then existing rates. The operating ratios were and still are abnormally high, and it is by no means certain that even with the existing level of rates the carriers can under the existing level of operating expenses, the principal items of which are wages and

fuel, earn a "reasonable income for their investment." We are endeavoring to keep abreast of the situation. We are exercising our powers in so far as seems appropriate to prevent unreasonable or inappropriate increases in charges by the carriers and cooperating with the carriers and the shippers in bringing about appropriate readjustments through reductions in charges, especially where it appears that the existing charges are such as to prevent the movement of the traffic. I think you are entirely correct when you say "both the public and the roads deserve an honest living, but I fear that both are now suffering."

There has been a substantial reduction in the amount of freight offered for transportation. This has resulted in large part from the closing down of industries, prominent among which may be mentioned iron blast furnaces, woolen mills, and automobile factories, and to the shortening of time of operation in many other manufacturing and industrial enterprises. We know that the grain crop of the West has not moved this year in normal quantities, and that an unusual proportion of the crop remains on the farms. This is because of unsatisfactory prices and the holding back of grain in the hope of improvement. I think that in a general way the same is true with regard to the movement of the cotton crop.

On the question of whether or not readjustment is proceeding too rapidly or too slowly, diametrically opposed views are entertained by different ones. Many suggestions for relief through Federal aid and otherwise are brought forward, and each has its advocates and its opponents. The times are such as call for the best thought on the part of all thinking men in order that the best advice may be given to those who are not in a normal frame of mind and who are disposed to act without carefully thinking through the proposition which they support.

The commission has not published any information as to these matters other than that contained in its thirty-fourth annual report, which was submitted to the Congress in the early part of this month, excepting that which is contained in our statistical periodical reports relative to earnings, expenses, and movement of traffic by the railroads. Copy of our annual report was sent to you. If you would be interested in our statistical sheets, I shall be glad, upon such advice from you, to furnish you with them.

I thank you for, and cordially reciprocate, your good personal wishes, and I am,

Yours, very truly,

EDGAR E. CLARK,
Chairman.

Mr. LA FOLLETTE. Mr. President, I offer an amendment to the pending bill.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. On page 2, after line 21, it is proposed to insert the following:

(C) That no payment of money shall be made to any railroad company under this act except and until it shall be determined by the Interstate Commerce Commission, upon full investigation, and finding duly entered thereon, certifying (1) that such railroad company has not, since March 1, 1920, paid or contracted to pay unreasonable and extravagant prices for railway supplies, equipment, repairs, and renewals charged to its maintenance account, or (2) that it has not paid or agreed to pay unreasonable sums as salaries to its officers or directors, or (3) that it has not otherwise managed and conducted its business in a dishonest, inefficient, or uneconomical manner in violation of the terms of the transportation act of 1920.

Mr. LA FOLLETTE addressed the Senate. After having spoken for nearly an hour and a half, he said:

May I ask the Senator from Michigan how long he proposes to have the Senate sit this evening?

Mr. TOWNSEND. If I can have my way about it, I want the Senate to stay in session until this bill is disposed of, or until a unanimous-consent agreement is made to vote upon it some time to-morrow. I am willing to submit a proposed agreement at any time the Senator desires, if he will permit us to fix an hour to-morrow, however late. If we can agree upon an hour to vote, I am willing to lay the bill aside at any time when the Senator gets tired and wants to stop. But I do feel that unless such a consent agreement can be made the Senate ought to remain in session.

Mr. LA FOLLETTE. I am willing to go on for a while longer.

Mr. TOWNSEND. Mr. President, I feel, in deference to the Senator from Wisconsin, that I ought to ask the unanimous consent of the Senate at this time to fix an hour to vote to-morrow, and if I can do that, I shall be perfectly willing to take a recess, and allow the Senator from Wisconsin to proceed in the morning at 11 o'clock.

Mr. LA FOLLETTE. I shall be very glad to proceed at that time. I am a little weary.

[Mr. LA FOLLETTE's speech will be published after it shall have been concluded.]

Mr. TOWNSEND. I have not the form, but I think it will be well to determine first whether anyone is going to object to it. If not, I will submit the regular form, which will require, of course, a call of the roll, in order to take the sense of the Senate.

Mr. SMITH of South Carolina. What is the request?

Mr. TOWNSEND. To fix an hour to-morrow at which we can vote on this bill. I will try to fix the hour to accommodate the Senate, because it does not make a bit of difference to me what hour is fixed.

I ask unanimous consent that to-morrow at 5 o'clock this bill and all amendments made or pending thereto shall come to a vote.

Mr. POMERENE. Without further debate?

Mr. TOWNSEND. Without further debate after 5 o'clock.

The PRESIDING OFFICER (Mr. HARRIS in the chair). Is there objection? The Chair hears none.

Mr. TOWNSEND. It is necessary that the roll shall be called.

Mr. GRONNA. Would the Senator from Michigan have any objection to the Senate taking up the Agricultural appropriation bill for an hour or so this evening, with the assurance that the railroad bill will be the unfinished business?

Mr. TOWNSEND. I have no objection at all.

Mr. GRONNA. I believe we could work for an hour to-day on the Agricultural appropriation bill.

Mr. TOWNSEND. I have no objection to that.

Mr. GRONNA. I assure the Senator that his bill will be put back as the unfinished business.

Mr. CURTIS. That can be done by temporarily laying the pending bill aside.

Mr. TOWNSEND. I shall ask to have the bill laid aside as soon as this unanimous-consent agreement is entered into, so that the Senate can take up the Agricultural appropriation bill.

The PRESIDING OFFICER. The Senator from Michigan asks unanimous consent that at not later than 5 o'clock to-morrow the Senate shall vote on the pending bill and all amendments thereto. The Secretary will call the roll to ascertain the presence of a quorum.

The reading clerk called the roll, and the following Senators answered to their names:

Brandegge	Harris	Nelson	Spencer
Calder	Harrison	New	Stanley
Capper	Heflin	Overman	Sterling
Curtis	Johnson, Calif.	Owen	Sutherland
Dial	Jones, Wash.	Phipps	Swanson
Dillingham	Kellogg	Pittman	Thomas
Edge	Kendrick	Polindexter	Trammell
Fernald	Kirby	Pomerene	Underwood
Fletcher	Knox	Ransdell	Wadsworth
Frelinghuysen	La Follette	Reed	Walsh, Mont.
Gay	Lenroot	Sheppard	Warren
Gerry	McKellar	Shields	Willis
Glass	McLean	Simmons	Wolcott
Gooding	McNary	Smith, Md.	
Gronna	Moses	Smith, S. C.	
Hale	Myers	Smoot	

The PRESIDING OFFICER. Sixty-two Senators have answered to their names. There is a quorum present.

Mr. TOWNSEND. I now present the following unanimous-consent agreement.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be read.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 5 o'clock p. m. on the calendar day of Tuesday, February 22, 1921, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (H. R. 15836) to amend the transportation act, 1920, through the regular parliamentary stages to its final disposition; and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than 20 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

Mr. TOWNSEND. Mr. President, I now ask unanimous consent that the unfinished business be temporarily laid aside in order that the Senator from North Dakota [Mr. GRONNA] may move to take up the Agricultural appropriation bill. I do this on the assumption that no one wishes to speak on the railroad partial-payment bill this evening.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

Mr. UNDERWOOD. I would suggest to the Senator from Michigan, in order that the unfinished business may be before the Senate, that we agree at this time to take a recess instead of an adjournment.

Mr. GRONNA. I have assured the Senator from Wisconsin that I will move a recess.

Mr. UNDERWOOD. But we might fail to get a quorum later.

Mr. TOWNSEND. I ask unanimous consent that when the Senate concludes its session this evening, it will take a recess until tomorrow morning at 11 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AGRICULTURAL APPROPRIATIONS.

Mr. GRONNA. I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 15812) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1922.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill H. R. 15812, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. GRONNA. I ask unanimous consent that the formal reading of the bill be dispensed with and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMITH of South Carolina. I should like to ask the Senator in charge of the bill if, without prejudicing the position that his bill occupies, he will allow me to call up now the motion made the other day by the Senator from Washington [Mr. JONES] to reconsider the vote whereby the Senate at that time unanimously authorized the Committee on Agriculture and Forestry to make certain investigations. I do not think it will take very long. The matter is of vital importance to the agricultural interests and will be in charge of the Committee on Agriculture and Forestry, and they will use such wisdom and discretion regarding the investigations as they may think the circumstances justify.

Mr. GRONNA. I wish to show all the courtesy possible to every Member of the Senate. Will it, in the opinion of the Senator, lead to any discussion?

Mr. SMITH of South Carolina. I think not. The Senator from Washington seemed the other day to feel that perhaps he had not been given an opportunity to express himself on the resolution. I wish to assure him now that I did not understand that he desired to have anything to say upon it.

Mr. JONES of Washington. If the Senate desires to consider the matter at this time, I shall not object to its coming up, and so far as I am concerned, I do not expect to take more than 5 or 10 minutes in discussing it.

Mr. SMITH of South Carolina. I hope the Senator from North Dakota will allow us to consider the motion to reconsider, and if it takes any length of time, of course, I will ask to have it postponed again.

Mr. GRONNA. I hope the Senator will not insist on considering the resolution and motion if it takes more than 10 or 15 minutes.

Mr. SMITH of South Carolina. I shall not, because I assure the Senator that I am as anxious for the passage of the Agricultural appropriation bill as he is, and it is in accord with that bill and in the interest of agricultural communities that I am asking that the resolution be disposed of now.

The PRESIDING OFFICER. Without objection, the Agricultural appropriation bill will be temporarily laid aside.

THE COTTON AND WHEAT SITUATION.

Mr. SMITH of South Carolina. I ask the Chair to lay before the Senate the resolution.

The PRESIDING OFFICER. The Secretary will read the resolution.

The READING CLERK. Senate resolution 443, by Mr. SMITH of South Carolina, agreed to on the 17th instant, and on the 18th instant the Senator from Washington [Mr. JONES] entered a motion to reconsider the vote by which the resolution was agreed to. The resolution is as follows:

Resolved, That the Committee on Agriculture and Forestry, or any subcommittee thereof, be, and hereby is, authorized to make an investigation to ascertain the amount and grades of cotton and wheat now held in this country; to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding \$1.25 per printed page, to report such hearings as may be had in connection therewith, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recess of the Senate.

Mr. JONES of Washington. Mr. President, when the resolution came up the other day I was in the Committee on Appropriations. I had had some talk with the Senator from South Carolina [Mr. SMITH] with reference to it. I had objected to the passage of the resolution when it was reported. Finally, I

told the Senator from South Carolina that I would withdraw my objection to the consideration of the resolution, but I thought I made it perfectly plain to him that I desired to be present when the resolution was considered, because I wanted to ask some questions about it. He evidently misunderstood my position. I have no idea that he intended to take advantage of my absence at all, but I did desire to be here when the resolution was considered.

I wish to call the attention of the Senate to the character of the resolution and the scope of it, and then if the Senate thinks that it ought to be passed, or rather, that the motion to reconsider ought not to prevail, I shall have no complaint, so far as the action of the Senate is concerned.

In the first place, when I objected to the resolution, the Senator from South Carolina stated that it would expire with this Congress; that it could not cost very much; that it could not take very much time; and there could not be any very extended investigation made because it must expire with the present Congress. When it was called up it was amended so that the resolution as passed by the Senate is far more objectionable to me, so far as I am concerned, than it was in the first instance. It is now unlimited in time, and the committee may take all the time that it considers necessary in investigating the matter.

The resolution as passed authorizes the Committee on Agriculture and Forestry, or any subcommittee thereof, to make an investigation to ascertain the amount and grades of cotton and wheat now held in this country.

That is a broad authority—"to make an investigation to ascertain the amount and grades of cotton and wheat now held in this country." How long it will take them to do that nobody can tell; how many agents they may employ to gather this information no one can tell. They are authorized to employ all the agents they deem to be necessary to get the information that is desired.

Mr. President, in order to make this information of any particular value it must be complete and accurate. What use can be made of information that is not certain with reference to the amount of cotton in the country or that is not certain with reference to the amount of wheat there is in the country? What use of any value can be made of such information I can not see.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from South Dakota?

Mr. JONES of Washington. I yield to the Senator.

Mr. STERLING. I should like to ask the Senator from Washington if this work might not well be done, if it is reasonably necessary, by the Department of Agriculture rather than by a committee of the Senate?

Mr. JONES of Washington. I think so. As a matter of fact, I know that at certain intervals the Department of Agriculture gives out a statement as to the amount of wheat and the amount of cotton on hand. I am not a member of the Agricultural Committee; I do not know very much about the details of this matter. I have myself often thought instead of being a benefit that the giving out of such statements is an injury to the cotton growers and the wheat growers of this country, and that it simply plays into the hands of speculators and allows them to manipulate the market. I may be wrong about that; I do not know; but that is the way it has appeared to me.

Mr. SMOOT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. I yield.

Mr. SMOOT. Does it not also appear to the Senator from Washington that if the reports to which he refers as being given out by the Agricultural Department are not correct, we ought entirely to stop appropriating money for them?

Mr. JONES of Washington. I think so.

Mr. SMOOT. If the Bureau of Markets, which collects these statistics, reports conditions which do not exist and their reports can not be relied upon, they are worse than no reports at all; and yet it costs thousands and tens of thousands of dollars to get those reports.

Mr. JONES of Washington. As I understand, the Department of Agriculture has agents in every county throughout the United States to send in reports with reference to the amount of wheat and cotton, and so forth, in the United States which is on hand. Now, what is it that is proposed to be done by this resolution? It is proposed by the resolution to authorize the Committee on Agriculture and Forestry to ascertain the same facts. If the Agricultural Department, represented by an agent in every county in the country, can not get accurate information, how many agents will the Committee on Agriculture have to employ in order to secure accurate information as to the amount

of cotton or the amount of wheat which is on hand? Mr. President, it seems to me that to do effectively and properly what the resolution calls upon the Agricultural Committee to do will cost thousands upon thousands of dollars.

Does the Senate desire in the closing hours of this Congress to authorize an investigation of that character? I did not think that it ought to be done; I did not think that the committee, even during the remainder of this session, should try to obtain this information; I did not think they could get information that would really be of value before this Congress closed; and it seemed to me that if the Agricultural Department, for which we have been furnishing appropriations for years and years—and I have always been glad to vote for those appropriations to perform these services in the interest of the farmer—could not secure the information which this resolution seeks, it would be impossible for the Committee on Agriculture to get the information, at any rate, at any reasonable expense.

By the resolution the Committee on Agriculture and Forestry is authorized to call for persons and books and papers and all that sort of thing; in other words, it is given all the power that we have given various committees in connection with investigations which have cost the Government many thousands of dollars. I do not know what showing was made to the Committee on Agriculture in reference to the resolution. I think I shall ask the Senator from South Carolina if the resolution was acted upon at a regular session of the Committee on Agriculture when there was a quorum of the committee present?

Mr. SMITH of South Carolina. Mr. President, I introduced the resolution in the Senate and asked for its immediate consideration. That was objected to by the Senator from Washington, who now occupies the floor. The resolution did not have to go to a committee, but it was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

I tried to point out at the time I introduced the resolution, as I have since pointed out, that there is such a duplication of work in our departments, such a conflict in the statistics that are given out, that the public at large, neither the consumers nor the producers of these two commodities—I know of my own knowledge as to cotton—nor anyone else knows accurately in reference to the matter. We have no information that is reliable on the subject.

As I pointed out here, they claim that among their sources of information are the Liverpool Gazette, the Liverpool Association, and the New Orleans Cotton Exchange.

Mr. JONES of Washington. Who claims that?

Mr. SMITH of South Carolina. The Bureau of the Census, which brings in these figures.

Mr. JONES of Washington. What about the Department of Agriculture?

Mr. SMITH of South Carolina. The Department of Agriculture furnishes some figures, the Bureau of the Census furnishes some, and the Bureau of Markets furnishes some. The result is that there is "confusion worse confounded." In the meantime those who are producing the crops have no accurate knowledge of what will be the condition of their market. I thought that an impartial body, like the Committee on Agriculture of the Senate, could obtain information from every source, could sift it down, find the facts, and let the public know them without fear of duplicating the work of anyone else. It was for that reason that I introduced the resolution.

I state here and now that I appreciate the position which the Senator from Washington takes; that having certain departments and bureaus we should call upon them for the desired information; but time and again I have called upon them and there would come in a report from one, and then it would be found that the source of their information was so unsatisfactory and the information itself was in such shape as to be of little, if any, value. Surely, the committee may call these officials and ascertain the sources of their information and get to the bottom of the situation, which spells millions upon millions of dollars to the people of the country.

Mr. JONES of Washington. I take it from what the Senator from South Carolina says that the resolution has not gone to the Committee on Agriculture at all?

Mr. SMITH of South Carolina. The resolution did not have to go to the committee.

Mr. JONES of Washington. I know it did not have to go to the committee, but often such resolutions very properly go to a committee; and a resolution that involves so much as this certainly ought to have gone to the Committee on Agriculture, and that committee ought to have considered whether or not it should pass, and whether there was such lack of information on the part of the Department of Agriculture as necessitated investigation by the Committee on Agriculture. The Senator

from South Carolina would discredit the Department of Agriculture.

Mr. SMITH of South Carolina. The Department of Agriculture is not the agency that sends in these statistics; it is the Census Bureau.

Mr. JONES of Washington. The Bureau of Markets gathers such information, does it not?

Mr. SMITH of South Carolina. The Bureau of Markets does not cover this information except in part. The Bureau of the Census, the Bureau of Markets, and the Agricultural Department all contribute a part of the information.

Mr. JONES of Washington. Does not the Bureau of Markets give out estimates from time to time as to the amount of crops, the amount of corn, the amount of wheat, the amount of cotton, and all that sort of thing?

Mr. SMITH of South Carolina. Sometimes they give a preliminary estimate, but the Census Bureau is the organization charged with gathering the statistics as to the amount of the supply and the distribution of grain and other crops.

Mr. JONES of Washington. The Senator, then, would discredit the Census Bureau and the figures and facts which it reports?

Mr. SMITH of South Carolina. Precisely; but it is not a question of discrediting anybody; it is a question of the conflicting reports coming from the different agencies of the Government.

Mr. JONES of Washington. They are all discredited, then.

Mr. SMITH of South Carolina. Exactly; but by an investigation on the part of the committee the facts would be disclosed and that situation would be changed.

Mr. JONES of Washington. If the committee should bring in a report showing a different amount from that shown by the figures reported by any of the agencies named by the Senator, then they would all be discredited.

Mr. SMITH of South Carolina. The Department of Commerce is charged with the duty of investigating matters in connection with the coal industry; but at the present time the Senate has a special committee investigating that same subject. Does the Senator pretend to say that no good has come out of the investigation of the Senate committee?

Mr. JONES of Washington. Oh, Mr. President, that investigation was not to find the amount of coal on hand; the purpose of that investigation was entirely different from the purpose of the investigation proposed by the resolution of the Senator from South Carolina.

Mr. SMITH of South Carolina. I beg the Senator's pardon.

Mr. JONES of Washington. The purpose of the investigation proposed by the Senator is to ascertain the amount of certain products on hand.

Mr. SMITH of South Carolina. The investigation of the coal situation on the part of the Senate committee had to do with the supply and distribution of coal.

Mr. JONES of Washington. I understand that; but the purpose of that investigation was entirely different from the one proposed by the resolution of the Senator from South Carolina; it had an entirely different object, and its scope was of an entirely different character. I take it that the Senator has not very much confidence in these governmental agencies which we have been supporting here for so many years. If he desires an investigation of the Census Bureau, or an investigation of the Bureau of Markets, or an investigation of the Agricultural Department, that is another matter.

The Senator suggests that the Committee on Agriculture could call the representatives of the Department of Agriculture before it and ask them where they got their information. It can do that without adopting the resolution, and that is what ought to be done. Instead of coming in here and asking authority on the part of the Senate to make a nation-wide investigation to ascertain the amount of wheat and the amount of cotton on hand, we ought to let the Committee on Agriculture call in the representatives of the department and ask them how they got their information, where they got it, and whether or not it is reliable. Then would come the time to determine, if the committee was not satisfied with the sources of information or the manner in which it was gathered, whether or not it wanted to make an independent investigation itself.

Mr. President, I think that is all that I care to say. It looks to me as though the resolution proposes an unnecessary investigation, that it will be a very expensive one, and that when the information is obtained it will not be of any value.

Let me add a word further. Suppose the committee should report to-morrow that there are 100,000,000 bushels of wheat on hand in this country, what value would that be in a week from now, or two weeks from now, or a month from now? Suppose it should report in a month from now that there is so much

cotton on hand at that time, what value would that be in a month from that time or in two months from that time? What value would such information be to the man who raised wheat or cotton last year, and what value would it be to the man who will have cotton or wheat next October?

So, Mr. President, I can see nothing in the adoption of the resolution but expense to the Government of the United States, and then a further club in the hands of the speculator to manipulate the markets in these products when the committee's report shall be filed.

Mr. HEFLIN. Mr. President, I am sure the Senator from Washington does not understand the situation. I do not believe he would oppose this resolution if he did. There are so many conflicting reports and rumors as to the real cotton supply of the United States that they are injuriously affecting the price.

The Senator wants to know how we go about getting these statistics. I want to say to him that there are nearly a thousand of these agents regularly employed in the cotton-growing States to report the amount of cotton ginned and on hand at the factories and warehouses. This committee can work through these men, but there is no fund that could pay them for this small amount of extra work, because this is out of the season for that; and it would not take much. It would not take much to employ the same agents in the wheat-growing States to give that information. I submit to the Senator that when this report was made it would set at rest all of these conflicting rumors, because here would be a specific investigation of the subject, and the truth would be ascertained.

I want to read a resolution passed at a bankers' convention in the greatest cotton-growing State in the Union, and I call the attention of the Senator from Washington to it:

Whereas there are many conflicting reports of the amount, kind, and quality of cotton carried over each year, called "surplus," and it is very vital to the South to know the exact amount of such carry-over and the quality of it: Therefore be it

Resolved by the Fifth District Bankers' Association of Texas, now in session, That we most heartily indorse the action of Senators E. D. SMITH of South Carolina and J. THOMAS HEFLIN of Alabama in their efforts to have the National Government find the amount, kind, and quality of cotton on hand of American production, and that we urge our Senators and Congressmen and those of the entire South to support the efforts of Senators SMITH and HEFLIN in this important move.

This resolution was unanimously adopted by this convention of bankers in the State of Texas. It means a great deal to us, Mr. President. I do not think it would cost at the outside over \$20,000, perhaps not half that amount, and I submit that it would be of value in this regard:

We know how much cotton of the American crop is consumed each year, and if these statistics give us the truth we will know how much of that cotton is now on hand. A great many linters were bought by the Government for powder-manufacturing purposes during the war. They are on hand. We charge that they are being counted in the cotton supply, and they are not spinnable. We charge that a vast deal of unspinnable cotton is being counted in the cotton supply, and it ought not to be. These agents of the Government can speedily ascertain the truth, and it will be of value to some thirty-odd millions of people in the cotton-growing States, and it will be of value to the people in the wheat-growing States to know the absolute truth.

I hope, therefore, the Senator will not oppose this resolution. I voted very cheerfully this morning to appropriate \$5,000,000 to go to the rescue of the drought-stricken farmers of the Northwest, and I do not think the Senator from the State of Washington ought to oppose the expenditure of a few thousand dollars to get this valuable information for the farmers of the South and the great West. I trust, therefore, that he will withdraw his opposition.

Mr. STERLING. Mr. President, if there were no other means of getting the information provided for in this resolution, I should not oppose it; but the resolution calls for a duplication of work which is confided to another department of the Government—the Bureau of Markets of the Department of Agriculture.

It is only necessary for me to call attention to the present appropriation bill to show that, and I am sure that the language is exactly the language of the last Agricultural appropriation bill. I read from page 74, under the head of "General expenses, Bureau of Markets," and not alone the "Bureau of Markets" but the "Bureau of Markets and Crop Estimates":

For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of live stock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, and seeds, and other agricultural products.

Mr. HEFLIN. That is for the next crop, if the Senator will permit me.

Mr. STERLING. The appropriation for that one item is \$300,160. Now, let me call attention to this, which is really

more pertinent to the resolution than what I have read. I read from page 76:

For collecting, compiling, abstracting, analyzing, summarizing, interpreting, and publishing data relating to agriculture, including crop and live-stock estimates, acreage, yield, grades, stocks, and value of farm crops, and numbers, grades, and value of live stock and live-stock products—

And so forth. An appropriation of \$350,000 for this purpose is carried in the bill. Here is a total of three-quarters of a million dollars for the very purposes provided for in this resolution.

Mr. HEFLIN. That is to provide for the next crop, while this is for cotton that has been accumulated heretofore. We want to find out all that is on hand of the old crop.

Mr. STERLING. The Bureau of Markets and Crop Estimates is still functioning, I suppose, and I think if that information is not now in the possession of the Bureau of Markets you should have a resolution here that provides that the Bureau of Markets shall at once procure and furnish this information.

Mr. HEFLIN. Let me suggest to the Senator one thing that I am sure he does not know. When this cotton comes into the market they take big samples out of it; they cut through the bagging and they take out big samples. They throw them into a box or a basket. They accumulate a vast deal of this cotton, and after a while they repack it, bale it, and they call that the city crop. There are two hundred and odd thousand bales of that character taken out of the crop each year. A lot of that stuff has been accumulated, and it never has been counted by anybody, and we want to get at that.

Mr. STERLING. Can it not be counted by the Bureau of Markets and Crop Estimates?

Mr. HEFLIN. It can, if you provide for it.

Mr. STERLING. If their attention were directed to it, would they do it?

Mr. HEFLIN. They can do it, probably, in the future, for the next crop; but we want this done right now.

Mr. STERLING. I should think the Bureau of Markets could do it now and as quickly or more quickly than could the Committee on Agriculture and Forestry.

Mr. HEFLIN. We will use the present agencies to get these facts.

That is all I have to say.

Mr. JONES of Washington. Mr. President, just a word.

I take it from what the Senator from Alabama says that he expects this committee to employ the 1,000 agents who have been looking after cotton in the Southern States. That simply confirms the idea I have had as to the probable expense, as to what it is absolutely necessary to do in order to get accurate information. You have got to employ these men, and you have got to employ a thousand or more men in the wheat section and all over the country in order to get the information that this resolution calls for.

Mr. HEFLIN. Each one of these agents can report on the conditions in his county in a day.

Mr. JONES of Washington. Mr. President, the Senator appeals to me and suggests that I ought not to oppose this resolution because he did not oppose some bill that was passed this morning. I take it that Senators pass upon the merits of these propositions. I have acted on the different measures that have come up on the basis of what I thought was the proper thing to do. I do not ask any Senator to support any measure in which I am interested because I have supported some measure in which he may have been interested. I expect Senators on this floor to pass upon every proposition that comes up upon its merits. I am satisfied that the Senator from Alabama acts in that way with reference to these matters.

I have made no captious opposition to this resolution. I could have prevented the passage of this resolution. It could not have been called up if objection had been made. I did not see fit to object to it. I simply wanted to call these matters to the attention of the Senate. Then, if the Senate thinks the vote on this resolution should not be reconsidered, I shall accept the judgment of the Senate.

That is all I have to say about it.

Mr. HEFLIN. It is a very meritorious resolution, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote whereby the Senate agreed to the resolution. [Putting the question.] The yeas seem to have it.

Mr. JONES of Washington. I call for a division.

On a division, the motion to reconsider was rejected.

STEVENS INSTITUTE OF TECHNOLOGY.

Mr. FRELINGHUYSEN. Mr. President, I do not want to tax the patience of the chairman of the committee in charge of

the Agricultural appropriation bill, but I should like to ask him if he will consent to my asking unanimous consent to take up a small bill in which my State is deeply interested?

Mr. GRONNA. If it does not lead to any discussion. If it does, I hope the Senator will withdraw it.

Mr. FRELINGHUYSEN. If it leads to any extended debate I will not withdraw the bill, but I will ask that it go over.

Mr. GRONNA. I mean, I hope the Senator will not ask that it be considered now if it leads to any discussion.

Mr. FRELINGHUYSEN. If it leads to any discussion I shall ask that it go over.

Mr. JONES of Washington. Let the bill be read, Mr. President.

The PRESIDING OFFICER. What is the number of the bill?

Mr. FRELINGHUYSEN. It is Senate bill 3695, for the relief of the Stevens Institute of Technology, of Hoboken, N. J.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3695) for the relief of the Stevens Institute of Technology, of Hoboken, N. J., which had been reported from the Committee on Claims with amendments. It authorizes and directs the Secretary of the Treasury to pay to the trustees of the Stevens Institute of Technology, of Hoboken, N. J., out of any money in the Treasury not otherwise appropriated, the sum of \$45,750, being the sum paid to the United States January 28, 1870, as a collateral inheritance tax upon the bequest which provided for the establishment and endowment of said institute.

The PRESIDING OFFICER. The Secretary will state the amendments of the committee.

The first amendment was, on page 1, after line 9, to insert a new section as follows:

SEC. 2. That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the corporations, associations, societies, or individuals as trustees or executors, such sums of money as have been paid by them as taxes upon bequests or legacies for uses of a religious, charitable, or educational character under the provisions of section 111 of the act entitled "An act to provide internal revenue to support the Government and to pay interest on the public debt," approved July 1, 1862, and its amendments.

Mr. SMOOT. Mr. President, section 2 is an amendment that the committee has proposed to this bill. I do not object at all to the provisions of the bill as introduced, but I do object to this broad provision, not knowing what it is going to involve or where it is going to lead; and unless it is withdrawn, I shall object to the consideration of the bill.

Mr. FRELINGHUYSEN. Mr. President, I have no objection to the amendment being rejected.

Mr. SMOOT. Then I have no objection to the consideration and passage of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The committee has also reported an amendment to the title, which, in view of the rejection of the other committee amendment, should be rejected. Without objection, that will be done.

STANDING ROCK INDIAN RESERVATION LANDS.

Mr. SMOOT. Mr. President, I have been requested to ask unanimous consent to take up the joint resolution (H. J. Res. 346) extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota. I do not want to take up the time of the Senate to explain it other than to say that it is simply an emergency matter, recommended by the department, and the Senators from North and South Dakota are deeply interested in it. It ought to pass before the 4th of March.

Mr. BORAH. Mr. President, I have no objection to the joint resolution, but are we not going to have a calendar day some time?

Mr. SMOOT. Yes; we are.

Mr. BORAH. Then what is the use of picking out certain bills and passing them? I think I shall object, because that will give us an assurance that the Senator from Utah will see that there is a calendar day before the session closes.

The PRESIDING OFFICER. Objection is made.

REFERENCE OF ARMY NOMINATIONS.

Mr. WADSWORTH. Mr. President, I have just consulted with the Senator from North Dakota [Mr. GRONNA], and he has

kindly consented, that I may make the unanimous-consent request which I am about to present.

Since my request the other day another batch of Army nominations has been sent to the Senate. The nominations affect officers from the grade of second lieutenant to colonel, inclusive, and involve a certain number of promotions, some transfers from one branch of the service to the other, and some appointments to the Regular Army. Nothing affecting general officers is involved in the request I am about to make. I ask unanimous consent that, as in open executive session, the nominations which I have described be referred to the Committee on Military Affairs.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nominations are so referred.

AGRICULTURAL APPROPRIATIONS.

Mr. GRONNA. I ask now that the Agricultural appropriation bill be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 15812) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1922.

The PRESIDING OFFICER. The Secretary will read the bill.

Mr. SMOOT. Mr. President, has it been agreed that the committee amendments shall be considered first?

The PRESIDING OFFICER. It has.

The Assistant Secretary proceeded to read the bill.

The first amendment of the Committee on Agriculture and Forestry was, in the item for salaries, office of the Secretary of Agriculture, on page 2, line 6, before the word "solicitor," to strike out "director of regulatory work, \$5,000."

The amendment was agreed to.

The next amendment was, on page 3, line 6, to reduce the appropriation for salaries, office of the Secretary of Agriculture, from "\$367,560" to "\$362,560."

The amendment was agreed to.

The next amendment was, on page 3, line 10, to decrease the total appropriation for the office of the Secretary of Agriculture from "\$467,560" to "\$462,560."

The amendment was agreed to.

The next amendment was, on page 7, after line 11, to insert: For investigations, observations, and reports, forecasts, warnings, and advices for the protection of horticultural interests from frost damage, \$9,000.

The amendment was agreed to.

Mr. SMOOT. I ask that the amendments in lines 20 and 21, changing the totals, may go over, because I have an amendment to offer on lines 3 and 4, page 7, which will change the totals if that amendment is agreed to.

The PRESIDING OFFICER. The amendments changing the totals in lines 20 and 21 will, without objection, be passed over.

The next amendment was, on page 11, line 11, before the word "shall," to strike out "\$978,000" and insert "\$978,800," so as to read:

For investigating the disease of tuberculosis of animals, for its control and eradication, for the tuberculin testing of animals, and for researches concerning the cause of the disease, its modes of spread, and methods of treatment and prevention, including demonstrations, the formation of organizations, and such other means as may be necessary, either independently or in cooperation with farmers, associations, State, Territory, or county authorities, \$1,978,800, of which \$978,800 shall be set aside for administrative and operating expenses and \$1,000,000 for the payment of indemnities.

The amendment was agreed to.

The next amendment was, on page 14, beginning in line 4, to insert the following additional proviso:

Provided further, That of the sum thus appropriated \$8,000 is hereby made immediately available for the erection of necessary buildings at the United States sheep experiment station in Clark County, Idaho, to furnish facilities for the investigation of problems pertaining to the sheep and wool industry on the farms and ranges of the Western States.

The amendment was agreed to.

The next amendment was, in the items for the Bureau of Plant Industry, on page 16, line 7, after the numerals "\$3,000," to insert "one administrative assistant in seed and plant distribution, \$3,000."

Mr. JONES of Washington. I would like to know from the chairman what need there is for that official. I note that the committee has stricken out the item for congressional seed distribution, and I am very glad of it. I hope they will be able to keep it out and that the bill will be enacted into law without the item. It seems to me that if that is done there will be less need for an administrative assistant in seed and plant distribution.

Mr. GRONNA. I will say to the Senator that this item was estimated for to take care of one director, Mr. Jones. Even if the congressional seed distribution item is kept out of the bill, which we hope will be the case, there will still be plenty of

work for this man, because the Department of Agriculture collects rare and valuable seeds which must be distributed.

Mr. JONES of Washington. This man is there now, is he not?

Mr. GRONNA. The House struck out the provision entirely.

Mr. JONES of Washington. But Mr. Jones has been there for years. This is merely a proposition to increase his salary, is it not?

Mr. GRONNA. No; that is not the proposition. The House struck out the whole provision. So unless we incorporate this amendment in the bill, we shall have no one to do that particular work. It does increase his salary from \$2,500 to \$3,000.

Mr. SMOOT. I thought that was exactly the purpose of the amendment.

Mr. GRONNA. No; that is not altogether the purpose, because in the House the whole provision was stricken out. Whether we increase the salary from \$2,500 to \$3,000 or not we must have the language in the bill. If the Senator objects to the amount, \$3,000, of course that is for the Senate to decide. It was estimated for by the department at \$3,000.

Mr. JONES of Washington. It is in order; I understand that. There is a provision in the bill for assistant to the chief, \$3,000. This is for another assistant.

Mr. GRONNA. It is not a new provision.

Mr. JONES of Washington. It involves the question of an increase in salary. That is really the matter involved?

Mr. GRONNA. Yes.

Mr. JONES of Washington. His salary at the present time is \$2,500?

Mr. GRONNA. It is.

Mr. JONES of Washington. I will not oppose the amendment if the Senate will make it \$2,500. It may be that he ought to have \$3,000, but until we bring about a reclassification of salaries, when we raise the salary of one man here and another man there, we simply increase the inequalities about which there has been so much complaint.

Mr. GRONNA. Will not the Senator let it go to conference?

Mr. JONES of Washington. It will go to conference anyhow, if it is put in at \$2,500.

Mr. GRONNA. Very well.

Mr. JONES of Washington. Then I ask that the amount be changed from three thousand to twenty-five hundred.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The ASSISTANT SECRETARY. On page 16, line 8, it is proposed to amend the committee amendment by striking out "\$3,000" and inserting in lieu thereof "\$2,500."

Mr. JONES of Washington. I want to say that I have met Mr. Jones. He is a very fine man, and a very good man in the position he fills; and the only reason why I make this objection is simply because we increase the inequalities by raising salaries here and there. I want to see Congress bring about a reclassification of salaries, and correct the inequalities which everyone admits exist.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on the amendment as amended.

Mr. SMITH of South Carolina. Before the question is put, may I inquire of the chairman of the committee if this relates to the salary provided for J. E. Jones, the gentleman who has had charge of the distribution of seed?

Mr. GRONNA. Yes; that is the item.

Mr. SMOOT. Of course, the House struck the item entirely out, because they expected there would be no distribution of seed for the coming year, and the Senate committee put the provision back in.

Mr. SMITH of South Carolina. Even without putting the provision back for seed distribution, I think we would need this man.

Mr. GRONNA. The Senator knows that we will have seeds to distribute, but we will not have what we call the congressional seed distribution.

Mr. SMOOT. We have had those rare seeds in the bill for years and years, and Mr. Jones has attended to that; but now, when the congressional distribution of seeds is to be taken out of the bill, he is to be given an increase in salary.

Mr. SMITH of South Carolina. Mr. President, I think the reason why the Agricultural Committee of the Senate recommended this increase for Mr. Jones was because those of us who have come in contact with him have found him to be certainly one of the most efficient Government employees in every respect, prompt, accurate, obliging, and, just as far as is legitimate, he would meet the requirements of a Senator with a zeal and an industry that were refreshing by the side of some of the treatment we get when we desire to have things done through the officials we have appointed to do these things. I think the

committee recommended that his salary be raised in recognition of those very traits; and even if some one else must suffer, I think Mr. Jones has demonstrated the fact that he is well worthy to receive a salary of \$3,000 if we are going to have anyone to look after the work he has been engaged in so long and so efficiently in that department. At the proper time I shall move that the salary shall be raised from the \$2,500 now agreed upon to \$3,000. What is the status of it now?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

Mr. SMOOT. If we are going to have a vote upon it, I do not want a vote taken with so few Senators in the Chamber.

Mr. SMITH of South Carolina. So far as that is concerned, I am not trying to take advantage of anyone. I have simply made my statement, and if the Senator thinks that the expression of the Senate could not be gained now we can just pass over this item and it can be brought up when there are more Senators present.

Mr. SMOOT. That will be all right. I understand we are to take a recess in a few moments, anyhow.

Mr. SMITH of South Carolina. I ask that this particular item may be passed over for future action.

The PRESIDING OFFICER. The amendment as amended will be passed over, together with the total in line 7 on page 17.

The reading of the bill was resumed.

The next amendment was, on page 18, line 3, after the word "survey," to strike out "\$62,020" and insert "\$72,000: *Provided*, That \$10,000 of this amount shall be used for research in brown-rot and kindred diseases of peach trees," so as to read:

For investigations of plant diseases and pathological collections, including the maintenance of a plant-disease survey, \$72,000: *Provided*, That \$10,000 of this amount shall be used for research in brown-rot and kindred diseases of peach trees.

The amendment was agreed to.

The next amendment was, on page 19, line 17, to increase the appropriation for eradication or control of the white-pine blister rust, etc., from "\$100,000" to "\$214,000."

The amendment was agreed to.

The next amendment was, on page 20, line 2, to increase the appropriation for investigation of diseases of cotton, potatoes, truck crops, forage crops, drug and related plants, from "\$95,400" to "\$100,000."

The amendment was agreed to.

The next amendment was, on page 20, line 5, to increase the appropriation for investigating the physiology of crop plants and for testing and breeding varieties thereof from "\$51,860" to "\$56,860."

The amendment was agreed to.

The next amendment was, on page 20, line 12, to reduce the appropriation for soil-bacteriology and plant-nutrition investigations, etc., from "\$50,000" to "\$40,000."

The amendment was agreed to.

The next amendment was, on page 21, line 23, after the word "production," to strike out "\$359,705" and insert "\$391,705," so as to read:

For the investigation and improvement of cereals and methods of cereal production, and the study of cereal diseases, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broom corn and methods of broom-corn production, \$391,705.

The amendment was agreed to.

The next amendment was, on page 22, line 4, to insert the following additional proviso:

Provided further, That not less than \$32,000 shall be used for investigating the wheat scab or blight.

The amendment was agreed to.

The next amendment was, on page 22, line 13, before the word "plant," to insert "several States and the"; in line 14, before the word "investigation," to insert "including"; and in the same line, after the word "investigation" to strike out "and control authorities of the several States," so as to read:

To enable the Secretary of Agriculture to meet the emergency caused by the existence in the United States of flag smut of wheat, take-all, helminthosporium, and other destructive soil and seed-infecting diseases of wheat and of other cereals, there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, \$30,000, to be used in cooperation with the several States and the plant disease survey, including investigation to prevent the further spread of and to eradicate or control these diseases.

The amendment was agreed to.

The next amendment was, on page 22, line 18, to increase the appropriation for investigation and improvement of tobacco and the methods of tobacco production and handling from "\$32,000" to "\$41,000."

The amendment was agreed to.

The next amendment was, on page 22, line 24, after the word "seed," to strike out "\$94,115" and insert: "\$100,000: *Pro-*

vided, That of this amount \$7,000 shall be immediately available for the purpose of constructing a special greenhouse for sugar-cane investigations to be located on the Arlington Farm, Virginia," so as to read:

For sugar-plant investigations, including studies of diseases and the improvement of sugar beets and sugar-beet seed, \$100,000: *Provided*, That of this amount \$7,000 shall be immediately available for the purpose of constructing a special greenhouse for sugar-cane investigations to be located on the Arlington Farm, Virginia.

Mr. JONES of Washington. Mr. President, I wish to ask what is hoped to be attained by that investigation in a greenhouse here at Arlington?

Mr. RANSDELL. I will state to the Senator that the mosaic disease is said to be very injurious to sugar cane in Porto Rico and all over the South, especially in the State of Georgia, where a great deal of cane is grown for sirup purposes. The Department of Agriculture is very anxious to conduct an investigation with reference to some insects that are exceedingly dangerous. It was at first suggested that the greenhouse be located in Louisiana. I will say in this connection that we have at Baton Rouge a very fine chemical laboratory. We think it is the finest in the world. Students come from all over the world to study sugar chemistry at our State university. But we did not want this establishment put there, because of the danger of the same thing that happened when the gypsy moth was brought over by some scientists to Massachusetts and escaped through the window and did millions of dollars' worth of damage to the trees. We want the insects very carefully guarded. We want these things to be experimented on in a climate where, if they do escape, they can not do any harm.

Mr. JONES of Washington. How does the Senator know that this is that kind of a climate?

Mr. RANSDELL. The Agricultural Department has said so.

Mr. JONES of Washington. Where do they get their information, if they have not had these insects around here?

Mr. RANSDELL. I can not tell where they get it. They do not give me all the information they have, but they assure us it will do no harm.

Mr. JONES of Washington. I think the main thing is that they want \$7,000 for a building over there.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee. Without objection it is agreed to.

Mr. JONES of Washington. It is not agreed to without objection.

The PRESIDING OFFICER. The Chair will put the question.

The amendment was agreed to.

Mr. BORAH. May I ask the chairman of the committee how long he expects to ask us to remain in session this evening?

Mr. GRONNA. I had hoped that we could go on for 10 or 15 minutes longer.

Mr. BORAH. I do not desire to interfere with the progress of legislation, especially when it is an appropriation bill, but I do not want to take up the forestry service or any part of it this evening, because I have some matters of information with reference to which I have been in communication with the department and about which I wish to ascertain certain facts before any steps are taken.

Mr. GRONNA. I suggest that we go on until we reach those items, and then take a recess.

Mr. BORAH. That will be agreeable to me.

The reading of the bill was resumed.

The next amendment of the committee was, on page 23, line 7, to increase the appropriation for investigation and improvement of methods of crop production under subhumid, semiarid, or dry land conditions from "\$159,000" to "\$169,000."

The amendment was agreed to.

The next amendment was, on page 24, line 2, to increase the appropriation for the investigation, improvement, encouragement, and determination of the adaptability to different soils and climatic conditions of pecans, almonds, etc., from "\$20,000" to "\$30,000."

The amendment was agreed to.

The next amendment was, on page 24, line 8, before the word "marketing," to insert the word "transportation," so as to read:

For the investigation and improvement of fruits, and the method of fruit growing, harvesting, and, in cooperation with the Bureau of Markets and Crop Estimates, studies of the behavior of fruits during the processes of transportation, marketing, and while in commercial storage, \$83,200.

Mr. SMOOT. Mr. President, that is an innovation and I am wondering whether we ought to allow it.

Mr. GRONNA. The Senator from Oregon [Mr. McNary] can explain the amendment.

Mr. SMOOT. The question of an investigation of fruit while in process of transportation is entirely an innovation in our legislation.

Mr. McNary. Mr. President, it was thought that in the study of the behavior of fruit it was just as well to consider it while in transit as while in storage. It occurred to me from my small knowledge of the subject that a real investigation of the habits of fruit and its conduct during storage could well be considered in connection with the matter of transportation. For instance, in the West after the fruit leaves cold storage the change which occurs in climatic conditions frequently develops diseases in the fruit that cause the destruction of great quantities. I thought, as long as the department was considering the diseases that occur in the process of storage, it might as well include transportation. That is the reason why I asked to include the word "transportation," so as to take in the whole scheme of investigation of the behavior of fruit and vegetables and without increasing the amount of the appropriation whatsoever.

Mr. SMOOT. Of course, now it will not increase the appropriation; but do I understand that the Senator wants a representative from the Agricultural Department to go along in the fruit car where the fruit is located and study the fruit en route?

Mr. McNary. That is not necessary at all, as anyone conversant with the shipment of fruit will know. The fruit is put in a precooling place and then put in the refrigerator cars. Passing the high altitudes along the Cascade and Rocky Mountains, it will develop certain diseases when it reaches Chicago. It is then compared with the condition of the fruit when it left at the other end. There is no intention of having an officer ride with the fruit at the expense of the Government. It simply makes the whole idea complete.

Mr. SMOOT. It seems to me the wording of the amendment is broad enough to do that without the word "transportation." It makes no difference how the disease attacks the fruit or where, they can investigate it. I do not see why the Senator wants to investigate the fruit during the process of transportation. It seems to me perfectly useless.

Mr. GRONNA. Is it not true that under the old language the department really might have the authority, except that it is not made plain, because the word "marketing" is used? The Senator from Oregon wants to make it plain. It was fairly well considered by the committee, and we thought it would do no harm to make it perfectly plain that the Bureau of Markets should investigate the behavior of fruit from the time it was put into the precooling place until it reached the market. Of course, that might be done only in one instance out of a hundred.

Mr. SMOOT. It says here that the investigation is to be of the behavior of fruit during the "processes of transportation."

Mr. McNary. It reads, "while in the processes of transportation." The effect is evident from its condition when it reaches the point of destination. It does not require a Government agent to follow along and keep in daily touch with the fruit. A reasonable interpretation should be given, and I think would be given by anyone familiar with the subject.

Mr. SMOOT. I do not see how that could be possible while the investigation was required during the processes of transportation. The only way that could be investigated would be while the fruit was in transportation. That is the way I read it. I do not see how any other construction could be put upon the language.

Mr. SMITH of South Carolina. The Senator from Oregon made it clear to the committee that his object, as I understood, was that when the fruit arrives at the point of destination from the point of shipment, upon its arrival it could then be ascertained what was the effect of the transportation on the fruit, and in order to obtain that we put in the word "transportation," so that they might immediately upon its arrival investigate just how it was affected.

Mr. SMOOT. That is what the Senator said; but I am reading the language just as it is and in the way the department will have to construe it.

Mr. McNary. I might give another concrete illustration which I thought would occur to the Senator from Utah: We on the Pacific coast are trying to employ to advantage the use of the Panama Canal. The fruit when it leaves the coast, the congenial climate of Oregon and Washington and the other Northwestern States, goes through a humid atmosphere. The fruit takes on a certain fungus growth and certain fungi will attach to it, whether it be in cans, dried, desiccated, dehydrated, or in original hard and ripe color. When the fruit reaches its destination at Baltimore or New York an inspection is made to ascertain what has occurred to the fruit in whatever form it may

have been shipped, and a report is made. Some scheme may be devised by which an improvement can be made in the handling of the fruit while in transportation. It requires no additional money. It is simply a study that will help the fruit men in getting their fruit to market in the most tasteful condition.

Mr. SMOOT. I do not think there is any question that the wording of the provision as it passed the House would accomplish that very object. What I am looking at is the wording as it will be if the bill becomes a law in this form. It seems quite inconsistent to me. If I were the Secretary of Agriculture and the bill should pass as it is, the only way I could construe it would be that investigations as to the behavior of fruit must be made, as this says, during the processes of transportation. That investigation can not be made unless it is made during transportation.

Mr. McNARY. "While in the processes of transportation."

Mr. SMOOT. No; it says "during the processes of transportation."

Mr. McNARY. In what line?

Mr. SMOOT. In line 7, page 24.

Mr. McNARY. I was looking at that part of the line where it says "while." I am not particular. My idea is to look at the whole matter from the standpoint of the desire to accomplish that which we intend, namely, the preservation of the fruit.

Mr. SMOOT. I am in sympathy with the Senator.

Mr. McNARY. If the distinguished Senator from Utah can word it better than the committee, and perhaps he can, I shall be very willing, so far as I am concerned, to accept that which he would have inserted in the clause.

Mr. SMOOT. What I say is that if the amendment is agreed to, I can not see how the Secretary of Agriculture is going to carry it out unless he has men following the fruit during its transportation, and the Senator does not want that.

Mr. McNARY. Certainly not, and that is what he would not do.

Mr. SMOOT. But that is exactly what the bill would require. It seems to me, from what the Senator desires to accomplish, that the wording of the provision as it passed the House will accomplish it.

Mr. McNARY. There was this thought at the time. I was afraid that a limited definition might be given to the term "marketing." I think the term "marketing" means from the time the fruit leaves the producer until it reaches the final consumer, but to make it certain to cover this one particular point to which the department has not given attention, I wanted to include the word "transportation."

Mr. SMOOT. The Senator knows that the word "marketing" includes not only the transportation, but the handling of the fruit to put it on the railroad.

Mr. McNARY. That is true.

Mr. SMOOT. Therefore it seems to me the amendment is perfectly useless.

Mr. WARREN. Mr. President, I have in mind a way to change the wording that will perhaps please the Senators. I suggest that it be amended to read, "Studies of the behavior of fruits during the processes of marketing, and while in commercial storage, and the effect of transportation." Would that accomplish the purpose?

Mr. McNARY. That would do it.

Mr. WARREN. Take out the word "transportation" and add it after the words "commercial storage."

Mr. SMOOT. There is no objection to that.

Mr. McNARY. That is very satisfactory so far as I am concerned.

Mr. WARREN. Then I move to amend by inserting after the words "commercial storage" the words "and the effect of transportation," so that it will read:

Studies of the behavior of fruits during the processes of marketing, and while in commercial storage, and the effect of transportation.

Mr. SMOOT. There is no objection to that, Mr. President.

Mr. McNARY. That would be very satisfactory, so far as I am concerned.

Mr. WARREN. With my proposed amendment added, it would read in this way, commencing on line 7, page 24:

During the processes of marketing and while in commercial storage, also the effect of transportation.

The same transposition should also be made in lines 21 and 22, on the same page. Of course, the word "also" could be used there or not, as desired.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. After the words "commercial storage," on line 8, page 24, it is proposed to insert the words, "also the effect of transportation."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Agriculture and Forestry was, on page 24, line 16, to decrease the appropriation for cultivation and care for the gardens and grounds of the Department of Agriculture, etc., from "\$20,000" to "\$15,000."

The amendment was agreed to.

The next amendment was, on page 24, line 21, before the word "marketing," to insert "transportation," so as to read:

For horticultural investigations, including the study of producing and harvesting truck and related crops, including potatoes, and, in cooperation with the Bureau of Markets and Crop Estimates, studies of the behavior of vegetables while in the processes of transportation, marketing, and in commercial storage, and the study of landscape and vegetable gardening, floriculture, and related subjects, \$71,940.

Mr. WARREN. I suggest the same amendment to that amendment that was made in line 7, page 24, in the item "for the investigation and improvement of fruits," and so forth.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The ASSISTANT SECRETARY. On page 24, line 22, after the words "commercial storage," it is proposed to insert "also the effect of transportation."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Agriculture and Forestry was, at the top of page 26, to strike out—

Purchase and distribution of valuable seeds: For purchase, propagation, testing, and congressional distribution of valuable seeds, bulbs, trees, shrubs, vines, cuttings, and plants; all necessary office fixtures and supplies, fuel, transportation, paper, twine, gum, postal cards, gas, electric current, rent outside of the District of Columbia, official traveling expenses, and all necessary material and repairs for putting up and distributing the same; for repairs and the employment of local and special agents, clerks, assistants, and other labor required, in the city of Washington and elsewhere, \$360,000. And the Secretary of Agriculture is hereby directed to expend the said sum, as nearly as practicable, in the purchase, testing, and distribution of such valuable seeds, bulbs, shrubs, vines, cuttings, and plants, the best he can obtain at public or private sale, and such as shall be suitable for the respective localities to which the same are to be apportioned, and in which same are to be distributed as hereinafter stated, and such seeds so purchased shall include a variety of vegetable and flower seeds suitable for planting and culture in the various sections of the United States: *Provided*, That the Secretary of Agriculture, after due advertisement and on competitive bids, is authorized to award the contract for the supplying of printed packets and envelopes and the packaging, assembling, and mailing of the seeds, bulbs, shrubs, vines, cuttings, and plants, or any part thereof, for a period of not more than five years nor less than one year, if by such action he can best protect the interests of the United States. An equal proportion of five-sixths of all seeds, bulbs, shrubs, vines, cuttings, and plants shall, upon their request, after due notification by the Secretary of Agriculture that the allotment to their respective districts is ready for distribution, be supplied to Senators, Representatives, and Delegates in Congress for distribution among their constituents, or mailed by the department upon the receipt of their addressed franks, in packages of such weight as the Secretary of Agriculture and the Postmaster General may jointly determine: *Provided, however*, That upon each envelope or wrapper containing packages of seeds the contents thereof shall be plainly indicated, and the Secretary shall not distribute to any Senator, Representative, or Delegate seeds entirely unfit for the climate and locality he represents, but shall distribute the same so that each Member may have seeds of equal value, as near as may be, and the best adapted to the locality he represents: *Provided also*, That the seeds allotted to Senators and Representatives for distribution in the districts embraced within the twenty-fifth and thirty-fourth parallels of latitude shall be ready for delivery not later than the 10th of January: *Provided also*, That any portion of the allotments to Senators, Representatives, and Delegates in Congress remaining uncalled for on the 1st day of April shall be distributed by the Secretary of Agriculture, giving preference to those persons whose names and addresses have been furnished by Senators and Representatives in Congress and who have not before during the same session been supplied by the department: *And provided also*, That the Secretary shall report, as provided in this act, the place, quantity, and price of seeds purchased, and the date of purchase; but nothing in this paragraph shall be construed to prevent the Secretary of Agriculture from sending seeds to those who apply for the same. And the amount herein appropriated shall not be diverted or used for any other purpose but for the purchase, testing, propagation, and distribution of valuable seeds, bulbs, shrubs, vines, and other rare and valuable trees, shrubs, vines, cuttings, and plants.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. SHEPPARD. Before the amendment is acted upon I desire to offer an amendment to a part of the amendment.

Mr. GRONNA. Mr. President—

Mr. SHEPPARD. Let me state my amendment, then I shall not have any objection to yielding.

Mr. GRONNA. I was going to ask that this amendment go over to-night.

Mr. SHEPPARD. I understood the Chair to put the question on agreeing to the amendment.

Mr. GRONNA. I ask that the amendment go over, and I shall move that the Senate take a recess until 11 o'clock to-morrow.

Mr. SHEPPARD. Then the committee amendment will come up for consideration the first thing to-morrow morning?

The PRESIDING OFFICER. That is the understanding.

Mr. KENYON. Why can not the Senator from Texas state his amendment to-night, so that we may know what it is?

Mr. SHEPPARD. I wish to move to amend the portion proposed to be stricken out by adding the words "the Resident Commissioner of Porto Rico," after the word "Congress," in line 8, on page 27, in order, if the seed distribution shall be provided for, that the Resident Commissioner of Porto Rico may share in it just as the Delegates from Hawaii and the Philippine Islands are now allowed to share in it.

Mr. GRONNA. I will say to the Senator from Texas that I do not think there will be any objection to his amendment. There will not be any, so far as I am concerned.

Mr. THOMAS. Mr. President, will the Senator from North Dakota withhold his motion for a moment?

Mr. GRONNA. I will withhold the motion.

W. C. STEWART.

Mr. THOMAS. I desire to ask unanimous consent for the immediate consideration of two bills on the calendar. They are a couple of small claims for reimbursement of the men who are named in the two bills on account of salaries previously earned for which no appropriation was made. They are very meritorious. I first ask for the consideration of Order of Business 767, being House bill 11945.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 11945) for the relief of W. C. Stewart. It directs the Secretary of the Treasury to pay \$285 to W. C. Stewart, an assistant engineer, working under the direction and supervision of the Department of State on the International Boundary Commission between the United States and Mexico, the payment being for services rendered as such assistant engineer for the months of March and April, 1915.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

HENRY P. CORBIN.

Mr. THOMAS. I now ask unanimous consent for the immediate consideration of Order of Business 768, being House bill 12005.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 12005) for the relief of Henry P. Corbin. It directs the Secretary of the Treasury to pay \$1,973.30 to Henry P. Corbin, a consulting engineer, working under the direction and supervision of the Department of State on the International Boundary Commission between the United States and Mexico, the payment being for services rendered as such consulting engineer for the years 1914, 1915, and 1916.

Mr. SMOOT. What is the object of the bill, I will ask the Senator from Colorado?

Mr. THOMAS. These are two bills, one for the relief of Henry P. Corbin and the other for the relief of W. C. Stewart, the consulting engineer and an assistant engineer of the International Boundary Commission with Mexico. The bills cover the salaries and work done by them, which has not been provided for in previous appropriation bills. The bills have been very carefully examined, and they have passed the Senate once or twice during the last two years. Finally they have come from the House of Representatives, and have been favorably reported by the Committee on Claims of the Senate. I assure the Senator from Utah that they are perfectly innocuous, to use the expression of the Senator from Mississippi [Mr. WILLIAMS].

Mr. SMOOT. Their passage will only take that much out of the Treasury.

Mr. THOMAS. They are bills for the payment of genuine and meritorious claims.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

STANDING ROCK INDIAN RESERVATION LANDS.

Mr. SMOOT. The Senator from Idaho [Mr. BORAH] objected to taking up Order of Business 684, House joint resolution 346, in which the Senators from North Dakota are interested. If we are not going to proceed further with the consideration of the Agricultural appropriation bill, and the Senator from Idaho now has no objection to the measure I have named, I ask that it may be considered and acted upon before a recess is taken to-night.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (H. J. Res. 346) extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota, which had been reported from the Committee on Public Lands with amendments.

The first amendment was, in section 1, page 1, after line 6, to strike out the words "act of Congress approved May 29, 1908 (35 Stats., p. 460), entitled 'An act to authorize the sale and disposition of surplus or unallotted lands of the Standing Rock Indian Reservation in the States of North and South Dakota, and for other purposes,' and the," so as to read:

That the Secretary of the Interior is hereby authorized, in his discretion, to extend for a period of one year the time for the payment of any annual installment due, or hereafter to become due, of the purchase price for lands sold under the act of Congress approved February 14, 1913 (37 Stats., p. 675), entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the Standing Rock Indian Reservation in the States of North and South Dakota, and for other purposes," and any payment so extended may annually thereafter be extended for a period of one year in the same manner.

The amendment was agreed to.

The next amendment was, in the same section, page 2, line 15, after the word "hereof," to insert:

And provided further, That any entryman who has resided upon and cultivated the land embraced in his entry for the period of time required by law in order to make commutation proof, may make proof, and if the same is approved further residence and cultivation will not be required.

The amendment was agreed to.

The next amendment was, on page 3, after line 2, to insert:

SEC. 2. That the Secretary of the Interior is also hereby authorized, in his discretion, to extend for a period of one year the time for the payment of any annual installment hereafter to become due of the purchase price of lands in the Cheyenne River Indian Reservation in South Dakota and the Standing Rock Indian Reservation in the States of North Dakota and South Dakota, sold at public sale under the act of Congress approved May 29, 1908 (35 Stats., p. 460), under the same terms and on the same conditions as provided in section 1 of this act.

The amendment was agreed to.

The title was amended so as to read: "Joint resolution extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota, and for other purposes."

The joint resolution was reported to the Senate as amended and the amendments were concurred in.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

RECESS.

Mr. GRONNA. I move that the Senate take a recess until to-morrow, the hour of meeting to-morrow having been already fixed at 11 o'clock.

The motion was agreed to; and (at 6 o'clock and 22 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, February 22, 1921, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate February 21 (legislative day of February 14), 1921.

REAPPOINTMENTS IN THE REGULAR ARMY.

CAVALRY.

Raymond Thomas Connell, late first lieutenant, Cavalry, Regular Army, to be first lieutenant with rank from February 14, 1921.

INFANTRY.

Fernand George Dumont, late first lieutenant, Infantry, Regular Army, to be first lieutenant with rank from February 14, 1921.

MEDICAL CORPS.

Maj. James Walter Bunce, Medical Reserve Corps, late major, Medical Corps, Regular Army, to be captain from February 14, 1921.

PROMOTIONS IN THE REGULAR ARMY.

To be majors.

Capt. Paul John Mueller, Infantry, from July 1, 1920.

Capt. Leland Stanford Hobbs, Infantry, from July 1, 1920.

Capt. John Frederick Kahle, Coast Artillery Corps, from July 1, 1920.

Capt. Edwin Bowman Lyon, Air Service, from July 1, 1920.

Capt. Reinold Melberg, Coast Artillery Corps, from July 1, 1920.

Capt. Clarence Brewster Lindner, Coast Artillery Corps, from July 1, 1920.

Capt. John Henry Cochran, Coast Artillery Corps, from July 1, 1920.
 Capt. Logan Wellington Series, Coast Artillery Corps, from July 1, 1920.
 Capt. Carl Conrad Bank, Field Artillery, from July 2, 1920.
 Capt. Charles Calvert Benedict, Air Service, from July 2, 1920.
 Capt. Vernon Evans, Infantry, from July 2, 1920.
 Capt. Roscoe Barnett Woodruff, Infantry, from July 2, 1920.
 Capt. Joseph Jesse Teter, Coast Artillery Corps, from July 2, 1920.
 Capt. Lewis Clarke Davidson, Infantry, from July 2, 1920.
 Capt. Dwight David Eisenhower, Infantry, from July 2, 1920.
 Capt. Harold William James, Infantry, from July 2, 1920.
 Capt. George Hume Peabody, Air Service, from July 2, 1920.
 Capt. Martin John O'Brien, Coast Artillery Corps, from July 2, 1920.
 Capt. Joseph Cumming Haw, Coast Artillery Corps, from July 2, 1920.
 Capt. James Basevi Ord, Infantry, from July 2, 1920.
 Capt. Earl Larue Naiden, Air Service, from July 2, 1920.
 Capt. Henry McElderry Pendleton, Cavalry, from July 2, 1920.
 Capt. Iverson Brooks Summers, jr., Coast Artillery Corps, from July 2, 1920.
 Capt. Edmund de Treville Ellis, Cavalry, from July 2, 1920.
 Capt. Robert William Strong, Cavalry, from July 2, 1920.
 Capt. Clifford Randall Jones, Coast Artillery Corps, from July 2, 1920.
 Capt. John Beugnot Wogan, Field Artillery, from July 2, 1920.
 Capt. Clesen Henry Tenney, Coast Artillery Corps, from July 2, 1920.
 Capt. Clifford Barrington King, Field Artillery, from July 2, 1920.
 Capt. Frank Edwin Emery, jr., Coast Artillery Corps, from July 2, 1920.
 Capt. Edward Caswell Wallington, Coast Artillery Corps, from July 2, 1920.
 Capt. Carl Ernest Hocker, Coast Artillery Corps, from July 2, 1920.
 Capt. John William Leonard, Infantry, from July 2, 1920.
 Capt. Richmond Trumbull Gibson, Coast Artillery Corps, from July 2, 1920.
 Capt. John Aloysius McDermott, Infantry, from July 2, 1920.
 Capt. Edward Campbell McGuire, Cavalry, from July 3, 1920.
 Capt. Clyde Raymond Eisenschmidt, Infantry, from July 3, 1920.
 Capt. Edward Bolton Hyde, jr., Coast Artillery Corps, from July 10, 1920.
 Capt. John McDonald Thompson, Cavalry, from July 11, 1920.
 Capt. James Alward Van Fleet, Infantry, from July 12, 1920.
 Capt. Louis Alfred Merillat, jr., Quartermaster Corps, from July 12, 1920.
 Capt. Edward Gill Sherburne, Infantry, from July 13, 1920.
 Capt. Walter Wood Hess, jr., Field Artillery, from July 15, 1920.
 Capt. Michael Frank Davis, Air Service, from July 16, 1920.

To be captains with rank from July 1, 1920.

First Lieut. William Mayer, Field Artillery, subject to examination required by law.
 First Lieut. Arnold Richard Christian Sander, Infantry, subject to examination required by law.
 First Lieut. Will Harley Evans, Infantry.
 First Lieut. Charles Orval Thrasher, Quartermaster Corps.
 First Lieut. Frank M. Moore, Infantry.
 First Lieut. Edwin Kenneth Crowley, Infantry.
 First Lieut. Earl Alva Hyde, Field Artillery.
 First Lieut. Thomas Arthur Reiner, Infantry.
 First Lieut. Horatio Gano Fairbanks, Infantry.
 First Lieut. Edward Shippen West, Cavalry.
 First Lieut. Bernard Joseph Finan, Quartermaster Corps.
 First Lieut. George Bernard Wescott, Infantry.
 First Lieut. Caesar Rodney Roberts, Coast Artillery Corps.
 First Lieut. Hjalmar Bernhardt Hovde, Signal Corps.
 First Lieut. Claire Elwood Hutchin, Infantry.
 First Lieut. Walter Carl Claussen, Infantry.
 First Lieut. John Summerfield Vincent, Quartermaster Corps.
 First Lieut. George Nicholl Randolph, Infantry.
 First Lieut. R. T. Walker Duke, Infantry.
 First Lieut. Herbert William Schmid, Infantry.
 First Lieut. Lloyd Leslie Hamilton, Infantry.
 First Lieut. Eustace Maduro Peixotto, Infantry.
 First Lieut. Watson Longan McMorris, Infantry.
 First Lieut. Arthur Walter Penrose, Infantry.
 First Lieut. Frederick DeCaro, Infantry.
 First Lieut. Armin Ferdinand Herold, Air Service.

First Lieut. Joseph Church, Infantry.
 First Lieut. Clinton Enos Fenters, Infantry.
 First Lieut. Robert Trisch Willkie, Quartermaster Corps.
 First Lieut. Elmer Royal Block, Field Artillery.
 First Lieut. Nels Gustaf Sandelin, Quartermaster Corps.
 First Lieut. Elmer Sharpe Van Benschoten, Infantry.
 First Lieut. Ralph Pollock, jr., Quartermaster Corps.
 First Lieut. John Graham Ardon, Infantry.
 First Lieut. Otto Harwood, Quartermaster Corps.
 First Lieut. Harold Harrison Barbur, Infantry.
 First Lieut. Ellis Warren Butt, Coast Artillery Corps.
 First Lieut. Otho Williams Budd, jr., Infantry.
 First Lieut. Eugene Vincent Behan, Infantry.
 First Lieut. Carl Christian Andersen, Infantry.
 First Lieut. Cecil Claude Ray, Quartermaster Corps.
 First Lieut. Charles Davis Vollers, Cavalry.
 Second Lieut. John Edward Covington, Infantry.
 First Lieut. Clyde Purcell Taylor, Infantry.
 First Lieut. Willis Earl Simpson, Infantry.
 First Lieut. George Franklin Davis, Infantry.
 First Lieut. Hubbard Errette Dooley, Infantry.
 First Lieut. Roye Pannebecker Gerfen, Cavalry.
 First Lieut. James Jarlath Kelly, Infantry.
 First Lieut. Willson Young Stamper, jr., Corps of Engineers.
 First Lieut. George Harrison Stuts, Field Artillery.
 First Lieut. Gordon Cushing Day, Corps of Engineers.
 First Lieut. Charles Jesse Mabbutt, Quartermaster Corps.
 First Lieut. Walter Andrews, Quartermaster Corps.
 First Lieut. Ernest August Guillemet, Quartermaster Corps.
 First Lieut. John Albion Chase, Infantry.
 First Lieut. James Allen Ryan, Coast Artillery Corps.
 First Lieut. Henry Edward Tisdale, Field Artillery.
 First Lieut. Clyde Kelly, Infantry.
 First Lieut. Herman Goodwin Halverson, Quartermaster Corps.
 First Lieut. Leslie Norman Conger, Infantry.
 First Lieut. Thomas Morris Jervey, Infantry.
 First Lieut. Thomas Nottingham Williams, Infantry.
 Second Lieut. Albert Joseph Beale, Quartermaster Corps.
 First Lieut. William John Niederpruem, Infantry.
 First Lieut. Eugene Nelson Frakes, Infantry.
 First Lieut. John Russell Young, Infantry.
 First Lieut. John Marvin Hagens, Infantry.
 First Lieut. Morris Easton Conable, Coast Artillery Corps.
 First Lieut. Robert Stuart Smith, Quartermaster Corps.
 First Lieut. Charles Francis Sullivan, Infantry.
 First Lieut. Paul Cassius Berlin, Cavalry.
 First Lieut. Edward Avery Austin, Infantry.
 First Lieut. Karl Minnigerode, Infantry.
 First Lieut. Hartwell Newton Williams, Quartermaster Corps.
 First Lieut. Harry Wright Hill, Corps of Engineers.
 First Lieut. Robert Wilkin McBride, Coast Artillery Corps.
 First Lieut. Charles Addison Pursley, Air Service.
 First Lieut. Bert S. Wampler, Infantry.
 First Lieut. Edmund Fitzgerald Hubbard, Infantry.
 First Lieut. Henry Tureman Allen, jr., Cavalry.
 Second Lieut. Halbert Eli Norton, Quartermaster Corps.
 First Lieut. George Rankin, Infantry.
 First Lieut. Charles Franklin Johnson, Infantry.
 Second Lieut. Carl Herbert Odeen, Quartermaster Corps.
 First Lieut. James Everett Snider, Cavalry.
 First Lieut. Adam Richmond, Infantry.
 First Lieut. Charles Jackson Sullivan, Infantry.
 First Lieut. Winfield Orval Shrum, Infantry.
 First Lieut. Paul Roy Guthrie, Quartermaster Corps.
 First Lieut. Ernest Franklin Dukes, Cavalry.
 First Lieut. Ira Edgar Ryder, Infantry.
 First Lieut. Herbert Randolph Roberts, Infantry.
 First Lieut. James Roger Kennedy, Infantry.
 First Lieut. Harry Joseph Gaffney, Coast Artillery Corps.
 First Lieut. Charles Francis Frost Cooper, Infantry.
 First Lieut. Frank Ward, Infantry.
 First Lieut. Harold Edward Potter, Infantry.
 First Lieut. Rufus Boylan, Infantry.
 Second Lieut. Warren Crouse Hurst, Quartermaster Corps.
 First Lieut. Charles Clinton Griffin, Infantry.
 First Lieut. Willard Lapham Smith, Infantry.
 First Lieut. George Luke Usher, Air Service.
 First Lieut. George H. Cushman, jr., Field Artillery.
 First Lieut. Lester Abraham Harris, Infantry.
 First Lieut. William Lackey Mays, Infantry.
 First Lieut. John Partick Welch, Quartermaster Corps.
 First Lieut. Thomas Almeron Bryant, Cavalry.
 First Lieut. Daniel Bernard Cullinane, Cavalry.
 First Lieut. Llewellyn de Waele Sharp, Infantry.

First Lieut. Harvey Watson McHenry, Quartermaster Corps.
 First Lieut. Frank Lenoir Reagan, Infantry.
 First Lieut. George Randall Wells, Infantry.
 First Lieut. Thomas Ernest Campbell, Infantry.
 First Lieut. John T. Boyle, Quartermaster Corps.
 First Lieut. Peyton Winlock, Field Artillery.
 First Lieut. Clarence Lineberger, Quartermaster Corps.
 First Lieut. George Mortimer Couper, Infantry.
 First Lieut. William Jasper Black, Infantry.
 First Lieut. Homer H. Beall, Quartermaster Corps.
 First Lieut. Abraham Max Lawrence, Infantry.
 First Lieut. Frank Thornton Addington, Infantry.
 First Lieut. Paul Ernest Leiber, Infantry.
 First Lieut. William Bernard Lowery, Infantry.
 First Lieut. James Francis Strain, Infantry.
 Second Lieut. Albert Earle Matlack, Quartermaster Corps.
 First Lieut. Francis Norton Neville, Quartermaster Corps.
 First Lieut. Francis Curran Browne, Infantry.
 First Lieut. Harry Lynn Henkle, Infantry.
 First Lieut. Merrifield Graham Martling, Corps of Engineers.
 First Lieut. Fred Stevens Byerly, Infantry.
 Second Lieut. Austin Webb Lee, Quartermaster Corps.
 First Lieut. Lewis Andrew Pick, Corps of Engineers.
 Second Lieut. Oscar Stanley Smith, Infantry.
 Second Lieut. Joseph Henry Davidson, Air Service.
 First Lieut. John McDowall, Field Artillery.
 First Lieut. Walter Cox Rathbone, Infantry.
 First Lieut. Harry Watson Bolan, Infantry.
 First Lieut. Alfred Clarence George, Air Service.
 First Lieut. George Bagby Campbell, Infantry.
 First Lieut. Harry Martin Andrews, Quartermaster Corps.
 First Lieut. Chauncey McCullough Lyons, Infantry.
 First Lieut. Edward Phillip Wadden, Infantry.
 First Lieut. William Yeates, Cavalry.
 First Lieut. Paul Miller Ellman, Corps of Engineers.
 First Lieut. John Edward Doyle, Infantry.
 First Lieut. Irvin Henry Zelfiff, Field Artillery.
 First Lieut. Ellis Wiswell Hartford, Quartermaster Corps.
 First Lieut. Paul Jones Mathis, Air Service.
 First Lieut. Frank Ellsworth Brokaw, Cavalry.
 First Lieut. Beverly Allison Shipp, Infantry.
 Second Lieut. Walter Kendall Wheeler, jr., Infantry.
 First Lieut. Charles Sherwood Gilbert, Infantry.
 First Lieut. Robert Oliver Shoe, Infantry.
 First Lieut. Charles Crisp Morgan, Infantry.
 First Lieut. Ellis Edward Haring, Corps of Engineers.
 First Lieut. Malcolm Everett Craig, Infantry.
 Second Lieut. Roland Thorpe Fenton, Quartermaster Corps.
 First Lieut. Milton Orme Boone, Quartermaster Corps.
 First Lieut. Perry Edward Taylor, Cavalry.
 First Lieut. John Samuel Schwab, Infantry.
 First Lieut. Walter Daugherty McCord, Infantry.
 First Lieut. James Esmond Matthews, Infantry.
 First Lieut. William James Robertson, Infantry.
 First Lieut. Harry Jefferson Farmer, Infantry.
 Second Lieut. John Lawrence Slade, Quartermaster Corps.
 First Lieut. Samuel Lynn Dunlop, Infantry.
 First Lieut. Charles Sydney Hammond, Coast Artillery Corps.
 First Lieut. Joseph Wheeler Starkey, Infantry.
 First Lieut. Harrington Willson Cochran, Coast Artillery Corps.
 First Lieut. Fred Harry Enckhausen, Infantry.
 First Lieut. Leo Joseph Dillon, Quartermaster Corps.
 First Lieut. Alberto Eugene Merrill, Cavalry.
 First Lieut. Thomas Jefferson Heald, Infantry.
 First Lieut. John Merle Weir, Infantry.
 Second Lieut. Samuel Clifton Cratch, Quartermaster Corps.
 First Lieut. Hubert Ward Beyette, Quartermaster Corps.
 First Lieut. Moore Alexander Stuart, Field Artillery.
 Second Lieut. Evan Jervis Morris, Infantry.
 First Lieut. James Monroe Morris, Infantry.
 First Lieut. Elbridge Colby, Infantry.
 First Lieut. Herbert Hatchett Blackwell, Coast Artillery Corps.
 First Lieut. Richard Adams Knight, Field Artillery.
 First Lieut. Samuel Stafford Wolfe, Infantry.
 First Lieut. Cecil Oliver Temple, Quartermaster Corps.
 First Lieut. Chester David Hilton, Quartermaster Corps.
 First Lieut. Roy Victor Rickard, Infantry.
 First Lieut. Alfred Volckman Ednie, Infantry.
 First Lieut. John Wilmar Blue, Infantry.
 First Lieut. Otto Gresham Trunk, Air Service.
 First Lieut. Frank McCormick Nihoof, Infantry.
 First Lieut. Edmund Gerald Steis, Chemical Warfare Service.
 Second Lieut. William Russell Frost, Field Artillery.
 First Lieut. Freeman Bozeman Daniel, Quartermaster Corps.
 First Lieut. Frederick Wilhelm Tell Sterchi, Infantry.
 First Lieut. Earl Le Verne Lyons, Infantry.
 First Lieut. Kenneth Smith Wallace, Field Artillery.
 Second Lieut. Howard Haines Cloud, Infantry.
 First Lieut. Thomas Jefferson Jackson, Infantry.
 First Lieut. Clarence Lloyd Midcap, Air Service.
 First Lieut. Fred Martin Distelhorst, Infantry.
 First Lieut. Gordon Hall Steele, Quartermaster Corps.
 First Lieut. Harry Kuteman Adams, Infantry.
 First Lieut. Louis William Eggers, Infantry.
 First Lieut. Charlie Anthony Valverde, Infantry.
 First Lieut. Francis Egan, Infantry.
 Second Lieut. Neil Brown Simms, Quartermaster Corps.
 First Lieut. Fred Ivan Gilbert, Ordnance Department.
 First Lieut. John Leverett Farley, Infantry.
 Second Lieut. Charles William Mays, Field Artillery.
 First Lieut. James Carlisle Patterson, Field Artillery.
 Second Lieut. John Joseph Nealon, Infantry.
 First Lieut. Maurice Vernon Patton, Field Artillery.
 First Lieut. Arthur Vanderpool Winton, Coast Artillery Corps.
 First Lieut. Alexander Hill Cummings, Quartermaster Corps.
 First Lieut. Blaisdell Cain Kennon, Infantry.
 First Lieut. Leslie Johnathan Cartwright, Infantry.
 First Lieut. Harland Fisher Seeley, Infantry.
 First Lieut. Wallace Chace Steiger, Cavalry.
 First Lieut. John Huston Church, Infantry.
 First Lieut. Irving Marion McLeod, Infantry.
 First Lieut. Frank Leslie Thompson, Infantry.
 Second Lieut. Harold Baxter Crowell, Infantry.
 First Lieut. Harold Eugene Eastwood, Cavalry.
 Second Lieut. Gilbert Taylor Collar, Air Service.
 First Lieut. Chester Carlton Westfall, Infantry.
 First Lieut. William Langley Wharton, Infantry.
 Second Lieut. Henry Herbert Cameron, Cavalry.
 Second Lieut. William Otis Poindexter, Infantry.
 First Lieut. Anthony Power Lagorio, Infantry.
 Second Lieut. Andrew Paul Paulsen, Infantry.
 Second Lieut. Benjamin Franklin Giles, Air Service.
 First Lieut. Ernest Clifton Adkins, Infantry.
 First Lieut. Moses Foss Cowley, Infantry.
 First Lieut. Lee Huber, Infantry.
 First Lieut. Arthur Hurd Lee, Field Artillery.
 First Lieut. Lee Varnado Hunnicutt, Infantry.
 First Lieut. Keith Kenneth Jones, Field Artillery.
 First Lieut. Thomas Green Poland, Infantry.
 First Lieut. Casper Ray Crim, Infantry.
 First Lieut. Robert Henry Crosby, Field Artillery.
 First Lieut. Chester Russell Fouts, Finance Department.
 First Lieut. Thomas Deweese Davis, Infantry.
 First Lieut. John Ligat Tunstall, Finance Department.
 First Lieut. Frank George Rogers, Field Artillery.
 First Lieut. George Lyman Prindle, Infantry.
 Second Lieut. Philip Theodore Quinn, Field Artillery.
 First Lieut. Leslie Walter Brown, Infantry.
 First Lieut. Tobin Cornelius Rote, Infantry.
 First Lieut. Fraser Hale, Air Service.
 Second Lieut. Isaac Brown Mayers, Infantry.
 First Lieut. Joseph English Hall, Air Service.
 Second Lieut. John Beall Harvey, Infantry.
 First Lieut. Owen Meredith Marshburn, Field Artillery.
 First Lieut. Reading Wilkinson, Corps of Engineers.
 First Lieut. Nicholas Hamner Cobbs, Finance Department.
 First Lieut. William Allen Hale, Infantry.
 First Lieut. David Eugene Barnett, Infantry.
 Second Lieut. Earle Albie Johnson, Infantry.
 First Lieut. Edgar Harland Keltner, Infantry.
 First Lieut. Jesse Andrew Rogers, jr., Infantry.
 Second Lieut. Furman Walker Hardee, Infantry.
 First Lieut. Charlie Campbell McCall, Cavalry.
 First Lieut. Robert Quail Whitten, Infantry.
 First Lieut. Benjamin Haw Lowry, Field Artillery.
 First Lieut. Charles Peter Lynch, Infantry.
 First Lieut. Edward Crews Black, Air Service.
 First Lieut. William Burbridge Yancey, Infantry.
 First Lieut. Edwin Henderson Quigley, Infantry.
 Second Lieut. Raymond Leroy Shoemaker, Infantry.
 First Lieut. Shirley Wiggins McIlwain, Quartermaster Corps.
 First Lieut. Charles Edward Richardson, Quartermaster Corps.
 First Lieut. John Phillip Scott, Cavalry.
 First Lieut. Charles August Hoss, Infantry.
 First Lieut. Andrew Christian Tychsen, Infantry.
 Second Lieut. George James Burns Fisher, Coast Artillery Corps.
 First Lieut. Edmond Hugh Brown, Infantry.

First Lieut. Laurence Mickel, Infantry.
 Second Lieut. Robert John Wallace, Infantry.
 First Lieut. John Swan Moore, Infantry.
 First Lieut. Henry Earl Minton, Ordnance Department.
 First Lieut. Lovic Pierce Hodnette, Infantry.
 First Lieut. Arthur S. Champeny, Infantry.
 First Lieut. John Hamilton Cochran, Infantry.
 Second Lieut. Ralph Alfonzo Gibson, Air Service.
 Second Lieut. John Benjamin Holmberg, Air Service.
 First Lieut. Lloyd William Goeppert, Coast Artillery Corps.
 Second Lieut. Henry William Robinson, Infantry.
 First Lieut. William Michener, Field Artillery.
 Second Lieut. Don Norris Holmes, Infantry.
 First Lieut. Ernest Everett Boyle, Infantry.
 First Lieut. Letcher Ogle Grice, Quartermaster Corps.
 Second Lieut. William Millican Randolph, Air Service.
 First Lieut. Alexander Jesse MacNab, Infantry.
 First Lieut. Walter Hibbard, Infantry.
 First Lieut. Ralph Leroy Ware, Infantry.
 First Lieut. Chauncey Aubrey Bennett, Field Artillery.
 First Lieut. Brisbane Hanks Brown, Infantry.
 First Lieut. Charles Andrew Robinson, Infantry.
 Second Lieut. Joe Shurlock Underwood, Quartermaster Corps.
 First Lieut. Albert Charles Gale, Field Artillery.
 Second Lieut. Elmer Douglas Campbell, Cavalry.
 Second Lieut. Clarence John Blake, Quartermaster Corps.
 Second Lieut. John Joseph Buckley, Infantry.
 First Lieut. LeRoy F. Pape, Quartermaster Corps.
 First Lieut. Harry Dennis Furey, Infantry.
 First Lieut. Charles Henry Wilson, Infantry.
 First Lieut. John George Pickard, Infantry.
 First Lieut. Winfred Houghton, Cavalry.
 Second Lieut. Richard Mathews Sandusky, Infantry.
 First Lieut. Ernest Francis Boruski, Infantry.
 First Lieut. Harold Mays Tague, Infantry.
 Second Lieut. John Walker Henson, Infantry.
 First Lieut. Eugene Arthur Regnier, Cavalry.
 Second Lieut. William Grove Murphy, Infantry.
 Second Lieut. Preston Wilson Gillette, Cavalry.
 Second Lieut. James Lindley Coman, Coast Artillery Corps.
 First Lieut. Joseph James Canella, Infantry.
 First Lieut. Walter Alexander Wood, jr., Corps of Engineers.
 First Lieut. Charles McKinley Kemp, Infantry.
 Second Lieut. Howard Avil Worrell Kates, Infantry.
 First Lieut. Raymond Cecil Hamilton, Infantry.
 Second Lieut. Harold Albert Baumeister, Infantry.
 First Lieut. Jasper Morris Groves, Infantry.
 First Lieut. Norris Adron Wimberley, Infantry.
 First Lieut. Orlen Nelson Thompson, Infantry.
 Second Lieut. Joseph Aloysius St. Louis, Infantry.
 Second Lieut. Joseph Saddler Dougherty, Infantry.
 First Lieut. Richard James Kirkpatrick, Air Service.
 First Lieut. Carey Ephriam Campbell, jr., Infantry.
 First Lieut. Clarence Ronald Peck, Infantry.
 First Lieut. Ray Milton House, Infantry.
 First Lieut. Pierre Mallett, Field Artillery.
 First Lieut. Overton Walsh, Field Artillery.
 Second Lieut. Clarence Harvey Bragg, Infantry.
 First Lieut. DeWitt Clinton Smith, jr., Infantry.
 First Lieut. John Curtis Newton, Infantry.
 First Lieut. Leslie Lancaster Heller, Infantry.
 Second Lieut. Vaughan Morris Cannon, Cavalry.
 Second Lieut. Wilson Stuart Zimmerman, Infantry.
 First Lieut. Graeme Gordon Parks, Infantry.
 First Lieut. Edwin Paul Ketchum, Corps of Engineers.
 First Lieut. Frank Lee McCoy, Infantry.
 First Lieut. George Lucius Blossom, Infantry.
 Second Lieut. Cyril Clifton Chandler, Infantry.
 Second Lieut. Fred Harold Norris, Infantry.
 First Lieut. Raymond Emanuel Hoffman, Infantry.
 First Lieut. James Francis Clark Hyde, Corps of Engineers.
 First Lieut. Robert James Kirk, jr., Infantry.
 First Lieut. James Edward Mendenhall, Infantry.
 First Lieut. Leo Alexander Bessette, Infantry.
 First Lieut. Kent Clayton Mead, Infantry.
 Second Lieut. James Wellington Younger, Quartermaster Corps.
 First Lieut. Amory Vivian Eliot, Infantry.
 First Lieut. James Clarence Reed, Infantry.
 First Lieut. Eugene Ferguson Hinton, Infantry.
 Second Lieut. Oliver Wendell Broberg, Air Service.
 First Lieut. Clarence Earle Lovejoy, Infantry.
 Second Lieut. Richard Sylvester Gessford, Infantry.
 Second Lieut. Benjamin Mills Crenshaw, Infantry.
 Second Lieut. Curtis Loyd Stafford, Cavalry.

Second Lieut. Alexander Garrett Olsen, Cavalry.
 First Lieut. Robert Kauch, Air Service.
 First Lieut. Arthur Riehl Wilson, Field Artillery.
 Second Lieut. John Major Reynolds, Field Artillery.
 First Lieut. Basil Vernon Fields, Infantry.
 Second Lieut. Bickford Edward Sawyer, Cavalry.
 First Lieut. Irwin Samuel Dierking, Infantry.
 Second Lieut. Donald Boyer Rogers, Field Artillery.
 Second Lieut. Clinton Fisk Woolsey, Air Service.
 First Lieut. Joseph Bartholomew Conmy, Infantry.
 Second Lieut. William Randolph Watson, Infantry.
 First Lieut. George Curtis McFarland, Coast Artillery Corps.
 First Lieut. Collin Stafford Myers, Infantry.
 First Lieut. John Peter Neu, Quartermaster Corps.
 First Lieut. William Herschel Middleswart, Quartermaster Corps.
 Second Lieut. Arden Clucas Miller, Field Artillery.
 Second Lieut. Frank Sims Mansfield, Infantry.
 First Lieut. Paul Clarence Spears, Field Artillery.
 First Lieut. Ralph C. G. Nemo, Infantry.
 First Lieut. Ross Franklin Cole, Air Service.
 Second Lieut. Oakley Leigh Sanders, Cavalry.
 First Lieut. John Pinnix Lake, Infantry.
 First Lieut. Heston Rarick Cole, Corps of Engineers.
 First Lieut. Russel Burton Reynolds, Infantry.
 Second Lieut. Harold Douglas Diasmore, Infantry.
 First Lieut. Paul Clarence Boylan, Field Artillery.
 Second Lieut. Ralph Floyd Love, Infantry.
 Second Lieut. William Irving Sherwood, Infantry.
 First Lieut. Charles Wilkes Christenberry, Infantry.
 Second Lieut. Charles Andrew Beaucond, Infantry.
 Second Lieut. Horace William Mooney, Air Service.
 Second Lieut. Robert Mansfield McCurdy, Infantry.
 First Lieut. Stewart Franklin Miller, Field Artillery.
 First Lieut. Hugh Campbell Parker, Infantry.
 Second Lieut. Floyd Marshall, Infantry.
 First Lieut. William Carey Lee, Infantry.
 First Lieut. Leonard Henderson Sims, Infantry.
 First Lieut. John Edwin Ray, Infantry.
 Second Lieut. Roy Thomas Barrett, Coast Artillery Corps.
 First Lieut. John Jeremiah Bachman, Field Artillery.
 First Lieut. Raymond Jay Williamson, Infantry.
 Second Lieut. Vere Painter, Quartermaster Corps.
 First Lieut. Walter Julius Ungethuen, Infantry.

HOUSE OF REPRESENTATIVES.

MONDAY, February 21, 1921.

The House met at 12 o'clock noon.

The Rev. James Shera Montgomery, D. D., pastor of Calvary Methodist Episcopal Church, Washington, D. C., offered the following prayer:

Blessed Heavenly Father, in Thy light we shall see light. Give unto us an open eye that we may follow its gleam, and may we not willingly allow it to die off of our pathway. This is the miracle of God and the ideal attainment of man. How we thank Thee. Through Jesus Christ our Lord. Amen.

The Journals of the proceedings of Saturday and Sunday were read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed with amendment the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, had requested a conference with the House of Representatives on the bill and amendment, and had appointed Mr. COLT, Mr. DILLINGHAM, and Mr. GORE as the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments the bill (H. R. 8038) to provide for the establishment of a branch land bank in the island of Porto Rico, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 178. An act authorizing an exchange of lands by A. A. Bruce, of La Veta, Colo.; and

H. R. 8692. An act authorizing the exchange of lands within the Montezuma National Forest in Colorado.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that on February 19 they had presented to the President of the United States, for his approval, the following bill:

H. R. 15130. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 8692. An act authorizing the exchange of lands within the Montezuma National Forest in Colorado; and

H. R. 178. An act authorizing an exchange of lands by A. A. Bruce, of La Veta, Colo.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 4205. An act to amend section 4, chapter 1, of title I, of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes.

IMMIGRATION BILL.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 14461, disagree to the Senate amendments, and agree to the conference asked.

The SPEAKER. The gentleman from Washington asks unanimous consent to take from the Speaker's table, disagree to the Senate amendments, and agree to the conference asked by the Senate in reference to the bill which the Clerk will report by title.

The Clerk read as follows:

H. R. 14461. An act to provide for the protection of citizens of the United States by the temporary suspension of immigration, and for other purposes.

Mr. SABATH. Mr. Speaker, reserving the right to object, I desire to ask the gentleman from Washington if he expects a meeting of the conferees to-day?

Mr. JOHNSON of Washington. If possible, I shall try to arrange that after consultation with the gentleman.

Mr. SABATH. I will withdraw the reservation.

Mr. MASON. Mr. Speaker, reserving the right to object, or rather a parliamentary inquiry, do I understand that without making any special reservation we can have a separate vote on the Senate amendments, or if we have to give notice or make objection now?

The SPEAKER. The Chair does not understand the gentleman's inquiry.

Mr. MASON. We passed this bill and it went to the Senate and certain amendments were made in the Senate. What I wanted to know was if we would have a separate vote in the consideration of the Senate amendments. Of course, the conferees have not reported yet.

The SPEAKER. It has not gone to conference, but as the Chair understands, the Senate has reported an entirely new bill, and when the conferees' report will come back it will have to be approved by the House before it becomes a law.

Mr. MASON. I do not wish to delay the matter at all.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the conferees.

The Clerk read as follows:

Mr. JOHNSON of Washington, Mr. SIEGEL, Mr. VAILE, Mr. SABATH, and Mr. RAKER.

QUESTION OF PERSONAL PRIVILEGE.

The SPEAKER. To-day is suspension day—

Mr. MASON. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his personal privilege.

Mr. McCLINTIC. Mr. Speaker, pending that, I think we ought to have a quorum here.

The SPEAKER. The gentleman from Oklahoma makes the point of order there is no quorum present. It is clear there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Baer	Bland, Mo.	Brumbaugh
Ayres	Bankhead	Bowers	Burdick
Bacharach	Bell	Britten	Candler

Cantrill	Focht	McGlennon	Sanford
Carew	Gallagher	McKiniry	Scully
Casey	Ganly	McKinley	Sears
Clark, Fla.	Garner	McLane	Sells
Clark, Mo.	Goldfogle	Maher	Slomp
Classon	Good	Mann, S. C.	Small
Coady	Goodwin, Ark.	Mead	Smith, N. Y.
Copley	Graham, Pa.	Monahan, Wis.	Steele
Costello	Hamill	Moon	Stiness
Cramton	Harreld	Mooney	Stoll
Cullen	Harrison	Morin	Strong, Kans.
Curry, Calif.	Hutchinson	Mudd	Sullivan
Davey	James, Mich.	Neely	Taylor, Colo.
Dent	Johnston, N. Y.	Newton, Minn.	Thomas
Donovan	Kahn	O'Connell	Upshaw
Doolling	Kelley, Mich.	Perlman	Vare
Doremus	Kennedy, Iowa	Porter	Venable
Doughton	Kennedy, R. I.	Rainey, Ala.	Vestal
Dunbar	Kettner	Rainey, Henry T.	Vinson
Dunn	Kless	Rainey, John W.	Volk
Eagan	Kitchin	Randall, Calif.	Webster
Eagle	Klecza	Ransley	Wheeler
Echols	Kreider	Reavis	Wilson, Ill.
Edmonds	Layton	Riordan	Wise
Ellsworth	Lesher	Rowan	Yates
Emerson	Loneragan	Ruby	
Flood	McCulloch	Sanders, La.	

The SPEAKER. Three hundred and three Members have answered to their names; a quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. MASON. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his question of personal privilege.

Mr. MASON. I desire to reply to some false statements which were made in the Sun and New York Herald charging me with the violation of some of the laws of this country in regard to the transportation of public documents through the mails, and other statements which are absolutely false, to which I wish to reply.

The SPEAKER. Will the gentleman state to the Chair what gives him his privilege?

Mr. MASON. Yes. The first is a statement by the paper that they hold no brief for Bernard M. Baruch, but I have attacked him, and that it is very dishonorable to attack a man and take advantage of my position as a Member of Congress.

I purpose to show in answer to that that I have done no dishonorable thing, but that I have pursued the course which I thought was proper to protect the revenues and the money of my country.

Mr. McCLINTIC. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCLINTIC. What is the date of that alleged publication?

Mr. MASON. It was published on June 4, after I went home following the last session of Congress.

The next point is that it states:

Some 23 years ago he shipped his personal belongings by mail under the Senate postal frank.

That is the charge of the violation of the laws of this country, and I want to brand it.

The SPEAKER. The Chair will recognize the gentleman. [Applause.]

Mr. MASON. Mr. Speaker and gentlemen, I shall be very brief if I am not interrupted, and I prefer not to be interrupted.

Mr. GARD. Do I understand that the Chair recognizes the gentleman on the second instance he has mentioned?

The SPEAKER. Not necessarily on the first.

Mr. MASON. I did not say "not necessarily on the first." I have a right to reply.

The SPEAKER. If the gentleman wishes to claim privilege on the first, the Chair wishes he would be a little more specific and state the language.

Mr. MASON. The language is this:

Bernard M. Baruch's reputation as a man of integrity in the business world, an efficient war administrator of honor, and a private citizen of distinguished position is not liable to suffer from the grotesque attack of WILLIAM B. MASON, Illinois Member at large of the House of Representatives and unequaled notoriety seeker in Congress. He first says that Mr. Baruch, as chairman of the War Industries Board, "stole \$50,000,000 in copper alone," and then when called upon by Mr. Baruch to submit his evidence immediately to Congress and to the Attorney General of the United States refuses to do so now, but declares that he will amend his statement to read that "you and your associates stole \$200,000,000 in copper alone."

We hold no brief for Mr. Baruch, but we must say that it is a shocking thing for a Member of the House, hiding behind his Congress privileges, to make such an assault upon anybody and then decline to back it up.

I purpose to back it up by quoting from the evidence already introduced as to my being guilty of the charge of slandering anybody in my position as a Member of the House.

Mr. WINGO. Mr. Speaker, I rise to a point of order. The only criticism in the article the gentleman read is that he took advantage of his position as a Member of Congress to make a charge and has refused to submit proof. The gentleman says he wants to rise to a question of personal privilege for the purpose of submitting proof. That is not a question of personal privilege, if the Speaker please. If that were possible, the time of this House would be taken up each day. I submit that a half dozen Members of the House are criticized each day along similar lines, and you can not treat as a question of personal privilege an expression of opinion of either newspaper or a citizen that a Member of Congress is not acting fairly in criticizing somebody from the floor who has no right to answer. And, after all, we recognize there is something in the charge that it is not fair for a Member of the House to attack a private citizen here, where he can not defend himself.

Mr. MASON. I recognize that as a rule of my life, here or anywhere else, but when a man lies about me, as this editor has done, I propose to answer the charge. If the gentleman wants to save time, he can do it, as I can finish my statement in a few minutes.

Mr. WINGO. I want to save the orderly procedure of the House regardless of time. The gentleman made a charge that Barney Baruch, by reason of his position with the Government, made \$50,000,000. The newspaper says when the gentleman was called on for his proof he did not give any, but amended his charge by saying "you and your associates." The newspaper said—

Mr. MASON. I propose to show that that is a falsehood, and that I did offer the proof. I tendered to him the proof, and have it before the Graham committee, but when he asked me to take him before his own Attorney General I declined. And his statement is absolutely false, to the effect that I refused to produce the proof.

Mr. WINGO. That you refused to produce the proof?

Mr. MASON. Yes, sir. It is not true. The proof is here, and I propose to submit a brief statement by the chairman of this committee, showing that there was a corrupt conspiracy and that he was at the head of it.

Mr. WINGO. Has the gentleman sought to have him indicted?

Mr. MASON. Where? In New York?

Mr. WINGO. The gentleman said—

Mr. MASON. By the Attorney General in Washington. I have not sought to have him indicted, and I shall try to have him indicted after the 4th day of next month. He should be indicted.

Mr. WINGO. I mean a criminal indictment, not a political one.

Mr. MASON. I mean a criminal indictment, for he and his conspirators held this Government by the throat on the copper deal until they robbed and controlled the markets of this country as to copper.

Mr. WINGO. Will the gentleman tell me before what grand jury he presented his proof?

Mr. MASON. Does not the gentleman know enough about the law that the Attorney General can procure indictments, and a private citizen has no place there?

Mr. WINGO. I have known of men indicted for Federal offenses of whom the Attorney General never heard.

Mr. MASON. The gentleman may have had a very large practice, but as a rule—

Mr. WINGO. It does not require a large practice to learn that. Any man who has studied anything about Federal procedure in the courts knows that.

Mr. MASON. I will say to the gentleman that when I want instruction in legal matters I will try to get him and pay him for his trouble.

Mr. WINGO. The gentleman's age would command my respect, but I could not hope for him to accept my humble advice.

Mr. BLAND of Indiana. Mr. Speaker, I make the point of order that both gentlemen are not discussing the question of privilege.

The SPEAKER. The Chair supposes both the gentlemen were discussing the point of order.

The Chair will hear the gentleman on the point of order. The gentleman from Arkansas [Mr. Wingo] makes the point of order that what the gentleman states relative to Mr. Baruch does not come within the question of privilege. As the Chair understood the gentleman from Illinois [Mr. Mason], the newspaper said that he made charges and that he did not substantiate them?

Mr. MASON. Yes. That is what the paper says.

The SPEAKER. The Chair does not think that of itself constitutes a question of personal privilege. That is newspaper criticism.

Mr. MASON. It is a newspaper lie, and I have the right to answer it and brand it as such when it reflects upon my character and standing as a Member of this House.

The SPEAKER. The decisions are quite uniform that a mere criticism by a newspaper which does not impugn the motives of a Member of Congress does not give rise to a question of privilege. Will the gentleman send the article up to the Chair once more, so that the Chair can determine?

Mr. MASON. The whole editorial, if the Chair please, should be taken together.

The SPEAKER. The Chair does not think the gentleman is justified. Perhaps the Chair should read it in order to explain the rule, but in this same connection the gentleman from Illinois might object to the Chair reading it.

Mr. MASON. Not at all.

The SPEAKER. Here it says, "He is only living up to his own notorious reputation." [Laughter.]

Mr. WINGO. Mr. Speaker, I withdraw my point of order. I did not know that statement was in the article. [Laughter.]

Mr. MASON. There are a great many things you do not know. [Renewed laughter.]

It is very difficult, I say to my colleagues, to make a schedule and keep a strict bookkeeping account of the professional liar. But I purpose very briefly to answer the several and distinct lies made by the editor of this paper in his defense of Barney Baruch. He could have nothing personal against me and every one of the lies which he prints has been answered, some of them more than 20 years ago. They are dead and buried, and I have never yet found language to describe that sneaking, skulking animal that will rob the grave of a buried lie for purposes of defending his fellow scalawags who seek to rob this Government. [Laughter.]

First he says he "holds no brief for Barney Baruch." I know of no reason why he should have mentioned that. [Laughter.] Then he says:

For in the Senate, in the House of Representatives, or anywhere, BILLY MASON, as he wants everybody to call him, was always that very sort of a joker. He was such a joker when at the close of his Senate career he shipped 20 tons of his personal belongings by mail under his Senate postal frank from Washington to his home in Waukegan, Ill.

They do not even give my home town right. They are such a bunch of liars that they can not get anything right. [Laughter.]

Now, as a matter of fact no man can or could ship his furniture by frank. No Congressman has done it in the last 50 years. I believe 75 or 80 years ago they did use to send their washing home by frank. [Laughter.]

But when this lie was originally told the man knew he was lying when he told it. It was shown to be an absolute lie from the beginning. It has been dead and buried for 20 years, and yet for purposes of defending Barney Baruch, the gentleman who contributes \$83,000 to Brother Wilson's campaign fund and makes \$470,000 on one little flurry in the market, in order to protect him, the man who said he had the greatest power during the war, they found it necessary to disinter these ancient and rotten lies about me that were buried when they were peddling our senatorships in the State of Illinois. The man who wrote it then knew he was lying, and the man who publishes it now knows he is lying, but they seek to get around it by saying this:

The joke, as he saw it, was that he was credited by official Washington, by the Postal Service, and by the public with dead-beating his furniture, library, clothing, etc., home under his frank, when it turned out that he was only franking to Illinois 20 tons of his own speeches.

[Laughter.]

The statement is that official Washington thought I was sending it. Mr. Munsey seems to be prolific and progressive in the matter of originating lies, but unfortunately he is short of ammunition and seeks to disinter ancient lies that have been dead and buried for 20 years, for I never shipped an article of furniture, I never shipped a ton of my own speeches, but I am willing to confess in a moment of modesty that my speeches were sent broadcast over the United States, much to my satisfaction; but they were not sent by tons. There was not a word of truth in it, and it is republished now for the sole purpose of throwing a mean and nasty fling. And you will get it at any moment; any man on either side of this House will get it who stands where I hope to stand for two years, demanding that these thieves bring back some of the money that they have stolen from the Government, and not go unwhipped of justice.

Let me take his next lie.

He was such a joker when he permitted a Senate frank to be used by the champagne agent to send thousands of copies of champagne propaganda through the mails free, for, although the champagne man considered it to be an incomparable advertisement of his sparkling wares, it was also a "BILL" MASON speech on pure food.

The truth about it is that it has been admitted and uncontradicted for years that in my investigation of pure food I found the people who were adulterating almost everything, including wines, and those that made an honest wine bought copies or had copies of the evidence printed, showing just how they made it, and the cheap scoundrels that were advertising in the newspapers made the point that that was being sent out under congressional frank. Members of Congress and Senators sent it out not only for the purpose of showing adulterations in wine alone but for the purpose of showing adulteration of all the food that went on our tables.

I read further:

He was such a joker when he lent his picture and name to be used in a flaring patent-medicine advertisement, for he wasn't himself sick; he only wanted to promote the sale of the indorsed patent medicine to those who were sick.

I do not believe in lying. I quit it a long time ago, it was such a strain on my memory. [Laughter.] You may doubt my judgment in permitting the use of my name. My motive was all right, and I think my judgment was bad. But when he says I told what was not true, he is a liar, and he knew he was a liar when he wrote it.

He was such a joker when he incessantly, bitterly, and uproariously opposed our going to war against Germany, on the ground that he loved peace.

Well, you know whether I was joking about it. I did not agree with you gentlemen who declared war. That was my conviction then, and I stood for free speech then. After you had declared war I did all I could to help win it. I did not vote to go into it. I believed then it was a scramble to settle real estate titles between King William and King George. I have not changed my mind about it, and I have not apologized for it, and my people have returned me here twice since I took that position. After the war was declared I did as you did. I rendered all the service I could; but it is a part of the use these hired newspapers make to besmirch any man who calls attention to the robbery and the thievery that was going on during this war. He says:

He punched a hotel clerk's nose in Washington for refusing to give a room to the wife of one of his constituents.

That is a sneaking, contemptible lie, originated at that time when the legislature was Republican and the majority of them were instructed to return me to the Senate; an insult, a sly reflection, a reflection upon my family and my conduct. Every newspaper in Illinois that published any part of it retracted it, and this sneaking, snarling, groveling dog crawls in under the ground to disinter and unbury lies that have been dead and buried.

And for what purpose? For the purpose of discrediting me when I asserted that Barney Baruch, at the head of this Purchasing Board, was guilty of the greatest fraud. The evidence is here. They did get more than \$200,000,000 profit in copper alone. They could have bought that copper under the law—they could have commandeered that copper as they did the soldiers of this country, as they did your boy and mine—but Barney Baruch, under the leadership of Mr. John D. Ryan, with 95 per cent of the copper producers, combined against and robbed your Government; and if I live under the incoming administration the incoming Attorney General will present the copper cases criminally or civilly or both. He will either do it or I shall endeavor to give you some good reason why. [Applause.]

Mr. GARRETT. Mr. Speaker, will the gentleman yield?

Mr. MASON. I prefer not to be interrupted.

Mr. GARRETT. The gentleman has stated that he does not wish to do any injustice. The gentleman has referred to the Graham committee. I was a member of that committee and am able to state to the gentleman exactly what the proof showed of Mr. Baruch's connection with copper. Is the gentleman willing I should state it? It will be very brief.

Mr. MASON. I have heard your statement. I have the statement here. You can insert it in your own speech if you please, but not in mine. You have a perfect right to defend Mr. Baruch. I propose to state, as Mr. GRAHAM states here, what the effect of the proposition was.

Mr. GARRETT. Will not the gentleman be fairer if he states the proof and not what Mr. GRAHAM stated or what I state?

Mr. MASON. Yes; I will state the proof. I have it very clearly in my mind. The proof is that before the war was declared John D. Ryan and Barney Baruch were in Washington to arrange to sell copper to this Government. Is not that true?

Mr. GARRETT. Yes. Now, will the gentleman tell what further the proof shows—

Mr. MASON. Is that true?

Mr. GARRETT. Just a moment. The proof shows that Mr. Baruch—

SEVERAL MEMBERS. Regular order!

Mr. MASON. Go ahead.

The SPEAKER. The gentleman from Illinois has control of the time.

Mr. GARRETT. The proof shows that Mr. Baruch did bring about an arrangement whereby there was purchased for the Navy and War Departments 45,000,000 pounds of copper, at 16½ cents per pound, the average price for the last 10 years, when in the markets of the world and the United States copper was selling at from 26 to 33 cents a pound; and that was all he did. [Applause.]

Mr. MASON. And then they bought nearly 600,000,000 pounds, and Barney Baruch fixed the price.

Mr. BUTLER. Twenty-six cents.

Mr. MASON. At 26 cents. I will show any of Mr. Baruch's friends here on this floor—he says I should put up or shut up. If he and Mr. John D. Ryan will bring their books and waive immunity, I will enter my appearance in any suit he may bring, and I will give a bond to secure him for any judgment he can recover against me. Let them bring their books here. Let them waive immunity. You know why they have not been examined, some of you. I quote from Mr. GRAHAM's statement, which will be sufficient for this purpose, and then I will sit down.

These distinguished, patriotic producers of copper came here and made an arrangement before war was declared. Maybe you can see where some of the tips came from when Brother Baruch made four hundred thousand and odd dollars. He says he could have made \$3,000,000, I think, if he had had a real tip. He came here before the war, and they brought into it not the men who should have been brought into it, but in violation of the statute they began to deal with the sales company, and that sales company represented the producers of 95 per cent of the copper of this country, and Mr. GRAHAM puts it very frankly, and I congratulate his committee on the work they have done. I congratulate every man who tried to bring to light not the incompetency in the conduct of the war. We knew what to expect when we knew what party was in control of the Government. The old men knew what was coming, but I congratulate these men who have exposed the thieving that has been going on. And let nobody come here from the city of Chicago and tell you they do not want an investigation, who seek to prove that they are soldiers because they can swear. [Laughter.] Now this is the statement, winding up Mr. GRAHAM's statement here on the floor, and he has made a fair and conservative investigation of this matter.

Mr. Chairman GRAHAM said:

So the effect of the proposition was to feed this infernal trust which had its fingers on the throat of the country and let them make such inordinate profits as were entirely unjustified by the needs of the Government. There was no necessity for it and the Government with its strong hand at the throttle could have commandeered all the copper it needed and made them furnish it at reasonable prices.

Who was the Government on copper? Barney Baruch spoke for the President. He had absolute authority and power to speak for him. He himself said he had more power than any man in the United States. To show that I was justified—I have no personal feeling, I want to get some of this money back to the taxpayers, and I think I know how it can be done—the Utah Copper Co. in 1917 made a profit of \$32,000,000, which was 200 per cent of its capital stock. In 1918 they made a profit of \$24,000,000, which was 150 per cent of their capital stock. In other words there was \$350 they got in dividends for every \$100 they had invested in stock.

The Calumet & Hecla Mining Co. in 1917 made a profit of \$9,500,000, or 800 per cent of its capital stock. In 1918 they made a profit of \$3,500,000, or 300 per cent of their capital stock. Here is Barney Baruch and his pals sitting at the head of the Government, fixing the price with men who controlled the copper, and to charge these prices when they could commandeer and did commandeer everything from a railroad to a ship—they let this one company make 1,100 per cent profit in two years.

Mr. HUDSPETH. Will the gentleman yield?

Mr. MASON. Yes.

Mr. HUDSPETH. Did Barney Baruch have any stock in that company?

Mr. MASON. He did not need to. He represented them; he did not represent the Government; he had the power, but he did not wield it; he turned it over to these men; he did not represent the Government of the United States. [Applause.]

The Inspiration Consolidated Copper Co. made \$12,000,000, or 55 per cent, and so on. Ah, Mr. Speaker, I have only gone thus

far into the examination of Mr. Baruch and the evidence to show that I was not seeking to take advantage of my position as a Member of Congress to slander any man. I hate a slanderer, and I hate a tale bearer. I have no use for them.

But I make this statement and I believe it to be true, and again I make the proposition that if Mr. Ryan and Mr. Baruch will bring their books here and waive immunity—they have not yet been fully examined, as stated by Mr. GRAHAM—and show you how they could make 1,100 per cent in two years in the way of dividends and yet claim to be in the patriotic discharge of their duties, I will give a bond to pay any judgment they get against me.

I do not know Mr. Baruch; I have no wish to know him. I do not know John D. Ryan, and I have no feeling about the matter; but when I think what we went through, what our wives went through, how they knit and sewed, and how every time you got a cablegram you said to yourself, "That is my boy that has gone," without the courage to open it; and when we were suffering and are suffering now from the effects of this war—when I think of these ghouls and cormorants that stood about waiting for Uncle Sam to go to war in order to rob him, it makes my blood boil. There is a double purpose; not only to relieve the taxpayers by compelling the men to bring back the money which they stole, but to give notice that hereafter the man who robs the United States shall not go unwhipped of justice. [Applause.]

Mr. NICHOLLS. Will the gentleman yield?

Mr. MASON. Yes.

Mr. NICHOLLS. I would like to ask the gentleman a question. He said that Baruch represented the copper people. I would like to know if he has any proof of that?

Mr. MASON. It was his conduct. Actions speak plainer than words. When you give my watch to your friend, you represent him and not me. Barney Baruch bore the commission from the President of the United States, but he betrayed the President and betrayed the people. His words represented the Government of the United States, but his conduct spoke loudly for the men who robbed your country. [Applause.]

Mr. NICHOLLS. I am afraid that the newspapers will accuse my colleague of making the same mistake which they accuse him of making before. I am asking in all seriousness—

Mr. MASON. The gentleman looks serious.

Mr. NICHOLLS. The gentleman from Illinois never looks serious. That is the reason they call him a joker.

Mr. MASON. What do they call you?

Mr. NICHOLLS. I do not know; but they do not call me the things that they call you.

Mr. MASON. Then the gentleman ought to be very happy. I am.

Mr. DYER. Mr. Speaker, I ask for the regular order.

Mr. NICHOLLS. I want to ask the gentleman if, aside from what he thinks about Mr. Baruch's conduct, he has any proof that Mr. Baruch represented the copper people?

Mr. MASON. I give you proof in his conduct; that is the only way you can prove the facts in reference to any man—by his conduct. I say that he held a commission from the President of the United States, the strongest power of any one man, to fix the price of copper. Now, that is not the only one; there are other rods in pickle for your friend Baruch. I do not care what he said with his mouth; he said by his conduct that he represented the copper producers of this country. [Applause.]

THE UNANIMOUS CONSENT CALENDAR.

The SPEAKER. To-day is suspension day. The Chair thinks it would be wise to notify Members of his purpose in regard to suspensions. The Chair will state that after a very brief time on the Unanimous Consent Calendar the Chair intends to recognize the gentleman in charge of the bill for incorporation of companies doing business in China, the bill to sell the Government's barges used on the Erie Canal, and also the bill of the gentleman from California [Mr. NOLAN] on patents. Possibly there are one or two others that will be brought up, but that is the program that the Chair has in mind. The Clerk will read the first bill on the Unanimous Consent Calendar.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. It has been suggested—and I am asking this in all seriousness, as some Members contemplate going elsewhere if a certain bill is not coming up—that possibly the packers bill may come up for consideration to-day under suspension of the rules. I am rising to ask if there is any prearrangement by which the packers bill will come up to-day?

The SPEAKER. The Chair does not know of any.

Mr. WINGO. Some of the friends of the bill have been told that there would be an effort made to suspend the rules. There is no such arrangement with the Speaker?

The SPEAKER. No. The Clerk will proceed with the call of the Unanimous Consent Calendar.

ARLINGTON MEMORIAL AMPHITHEATER.

The first business on the Calendar for Unanimous Consent was the bill (H. R. 8032) to provide for the erection of memorials and the entombment of bodies in the Arlington Memorial Amphitheater, in Arlington National Cemetery, Va.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, I reserve the right to object, for the purpose of asking the gentleman from New York [Mr. GOULD], who is in charge of the bill, and who reported it, whether this is intended to be a commission whose term will exist during the present year, or if it is to be in existence for a longer time? The bill provides that a commission shall be created and that possibly the Secretary of War and the Secretary of the Navy shall submit recommendations "annually" to the President, who shall transmit the same to Congress, and so forth. I see that in my first reading of the bill I inadvertently missed the word "annually." And I was about to suggest that it might be well to place that word before the word "December," but that is covered. The next point that I wish to call to the attention of the gentleman is as to just what the commission is now to do. As the bill was originally, before lines 20 and 21 on page 2 were stricken out of section 3, provision was made that applications for authority should be submitted through the commission created by this act; that the commission should pass on these applications and then report to Congress, Congress giving the final authority. The words "applications for such authority shall be submitted in all cases through the commission created by this act" have been stricken out of the bill by the amendment proposed by the gentleman's committee, so that as it is now—and I ask the gentleman whether I am correct or not—it would seem that the commission would have little or nothing to do, because the matter is determined now finally by the Congress. In other words, that language being stricken out of section 3, which provides that no inscription, tablet, box, or other memorial shall be erected, and so forth, unless specially authorized in each case by act of Congress, in each instance there would be required affirmative action or permission by the Congress.

Mr. GOULD. Yes.

Mr. GARD. Assuming that we do create a commission, what is the commission to do?

Mr. GOULD. If the gentleman will read section 5, I think that point will be cleared up.

Mr. GARD. Section 5 provides only as to the character, design, and location of tablets, busts, or other memorials, and that they shall be subject to the approval of the commission "herein created," which shall in each case obtain the advice of the Commission of Fine Arts.

Mr. GOULD. Yes.

Mr. MANN of Illinois. The gentleman will notice that section 1 directs the commission to make recommendations to Congress. While the provision that applications for such authority shall be submitted in all cases to the commission created by this act is stricken out of section 3, still the commission is required annually to submit recommendations to the President and through the President to Congress.

Mr. GARD. I understand that, but with the phrase that applications for such authority shall be submitted in all cases through the commission created by the act stricken out, how does the commission obtain any information as to what is to be placed in the amphitheater?

Mr. MANN of Illinois. I apprehend that will not be difficult at all. The commission will exercise its original jurisdiction of making recommendations.

Mr. GARD. Yes.

Mr. MANN of Illinois. Certainly the commission will be better informed than anybody else in reference to deceased members of the Army, Navy, and Marine Corps.

Mr. GARD. The point that I am endeavoring to get information on is, if we take out the language requiring applications to be submitted by the commission, then how does the commission obtain any evidence as to what is desired of any person or of anybody, as to placing proper inscriptions on tablets, or whatever it may be.

Mr. MANN of Illinois. I assume that the reason for the amendment striking out the provision that applications for such authority shall be submitted through the commission is because

that could not bind Congress in any event. There was no use of putting in a provision which will not be effective in any event. Applications may be made through the commission and probably will be made through the commission in any event.

Mr. GARD. Does not the gentleman think it would be better to retain the language stricken out in lines 20 and 21 on page 2, substituting the word "may" for the word "shall," so that these matters which are to be brought to the attention of Congress may first be brought to the attention of this commission, because I do not know how the commission is going to have information as to what it shall make recommendations for, unless the Secretary of War shall have information or the Secretary of the Navy shall have information and make those recommendations directly to Congress.

Mr. MANN of Illinois. I apprehend that in most cases in reference to this matter it will be done on the recommendation of the commission without application being made to the commission.

It ought not to be required that somebody should make formal application of the commission, but the commission, knowing the situation, could naturally enough make recommendations where they thought it ought to be done without having formal applications made to them. I do not think it ought to be left where individuals should make application to the commission before they can act.

Mr. GARD. Well, section 5 provides that the commission still shall have the power of approval of the character, design, and location of these matters?

Mr. MANN of Illinois. Oh, certainly.

Mr. GARD. So it would seem to me that the question of what these inscriptions, tablets, and busts are to be in nearly all cases should be vested in the commission primarily. Of course, I do not desire to take from the Congress the power of determining it; I think it should vest in Congress always.

Mr. MANN of Illinois. Practically, it would rest with the commission, but I do not think that the commission ought to be forbidden to act unless somebody has made an application to the commission. They ought to have original jurisdiction.

Mr. GARD. What is the gentleman's idea about changing the word "shall" to the word "may"?

Mr. MANN of Illinois. Well, personally, I can see no great objection to that.

Mr. BEE. Will the gentleman yield for a question? I am addressing the gentleman from Illinois.

Mr. MANN of Illinois. The gentleman from Ohio has the floor.

Mr. BEE. Do I understand when this act passes no inscription shall be made or any body entombed unless Congress expressly authorizes the said entombment of the body or the special inscription that is to be made?

Mr. MANN of Illinois. That is the case.

Mr. BEE. That is the intention?

Mr. MANN of Illinois. That is the intention.

Mr. BEE. You first create a commission composed of the Secretary of War and the Secretary of the Navy, to whom you intrust this work. Then in section 5 you say that before they shall do this they shall in each case obtain the advice of the Commission of Fine Arts. What is this Commission of Fine Arts?

Mr. MANN of Illinois. The Commission of Fine Arts is a commission appointed by the President which has jurisdiction over all matters relating to statutory inscriptions and things of that sort.

Mr. BEE. In fact, the Secretary of the Navy and Secretary of War are merely ex officio officers, and this is intrusted to the Commission of Fine Arts, because the Secretary of War and the Secretary of the Navy can do nothing until they get the permission of the Commission of Fine Arts. Is not that right?

Mr. MANN of Illinois. Here is the situation—it is perfectly plain: The original commission provided in the bill makes a recommendation to Congress for the erection of a memorial or the entombment of a deceased body. Congress provides that that shall be done. The design of the memorial or inscription is submitted, when prepared, to the Commission of Fine Arts for their approval before it is erected.

Mr. BEE. And then it must be submitted to Congress?

Mr. MANN of Illinois. Oh, Congress has already passed on it.

Mr. BEE. Then, what does section 3 mean? After the commission has written out the inscription, then it says that it shall not be erected until Congress authorizes it.

Mr. MANN of Illinois. The gentleman did not get what I stated. This will be the procedure: The commission recommends to Congress or to the President and that is transmitted to Congress—that the memorial shall be erected; a tablet or

inscription or bust or that a body be entombed. The Congress provides that that shall be done, and if the bust is to be erected or the inscription or the memorial erected the design of that must first be approved by the Commission of Fine Arts.

Mr. BEE. Now, if the gentleman will yield—I see my distinguished friend from New York smile, and therefore I will propound this question again. Section 3—I will read it:

That no inscription, tablet, bust, or other memorial shall be erected, nor shall any body be entombed, within the Arlington Memorial Amphitheater unless specially authorized in each case by act of the Congress.

In other words, the Commission of Fine Arts says that the body of John Smith shall be entombed. Then before the body of John Smith—I do not know where the body would be all that time—but before the body of John Smith can be entombed Congress must pass an act, the House and the Senate and the President must sign it, authorizing the entombment of the body of John Smith in this Arlington Amphitheater. Then it is not a question of procedure; it is a question of Congress acting in each individual instance, on every inscription, on every tablet, on every bust, on every memorial, on every body entombed; that the Congress of the United States must authorize by specific act, signed by the President, every one of these things to be done. Now, let me ask the gentleman: I understand the purpose of the bill, and I understand it is very meritorious, and it is to prevent caricature upon one hand or unworthy ones upon the other receiving a place in that great amphitheater. Is it possible that the Congress of the United States is not able to trust both the Secretary of War and the Secretary of the Navy, or the Secretary of War and the Secretary of the Navy not having time to look after it, intrust it to this Commission of Fine Arts, who are presumed to be very gifted gentlemen in this particular line—Congress having incorporated them, having created them—that Congress is afraid to intrust them with whether John Smith or Paul Jones shall be buried in Arlington Cemetery unless it specially authorized it?

Mr. GOULD. That was the view of the committee, Mr. Speaker. Based on the practice and precedents which have been followed in connection with the Committee on the Library in handling matters of this sort, it was deemed advisable to have the legislation come before the House, and then the commission, composed of the Secretary of the Navy and the Secretary of War, with the approval and advice of the Fine Arts Commission, would then take care of the memorial as outlined in the act of Congress.

Mr. BEE. Will the gentleman yield further?

Mr. GOULD. Yes, sir.

Mr. BEE. I do not think the gentleman means to go that far. Suppose they want to buy the life of Countess du Barry or buy The Squaw Man, they must come to Congress for permission to buy such a book. How are you following the practice provided by the Library Commission?

Mr. GOULD. That is a very difficult question, Mr. Speaker. I do not know whether the gentleman is acquainted with the matter of jurisdiction of Government property.

Mr. BEE. In a way.

Mr. GOULD. For instance, there was a question up last week about the wisdom relative to statues or busts of some of the women leaders of the country, which the National Woman's Party hope to have a memorial for in the Rotunda of the Capitol. The statute puts the power of accepting such a piece of art or sculpture in the hands of the Joint Library Committee, and legally, unless a bust or piece of sculpture is accepted by the committee it may not even be brought on Government land. Following that similar procedure which has been followed here for a good many years, it was deemed advisable to have something along the line as proposed in this bill for the handling of memorials in the Arlington Amphitheater. That is the only explanation I can make.

Mr. BEE. If I understand you correctly, if this Congress chooses to pass on the question of whether John Smith shall be entombed at Arlington, of course it has the power to do so, but if necessity arises any kind of a caricature the joint committee provides could be put into the Capitol.

Mr. GOULD. I should think so.

Mr. PELL. That is absolutely so.

Mr. GOULD. I did not quite understand the gentleman.

Mr. PELL. I was saying that that is absolutely so. The Library Committee, if it does not choose to use intelligence and does choose to put in any sort of statue it wants to, can do it. That is the law as it is now. The practice is to consult the Fine Arts Commission. In this particular bill the question is not of putting groups of unknown men in the Arlington Memorial, but to select really important cases. No man should

be placed there unless his case appeals to the Congress. Then it is recommended.

Mr. BEE. I am quite inclined to agree to the gentleman's viewpoint on that. Let me say that I find objectionable section 4, to the effect:

That no inscription, tablet, bust, or other memorial as herein provided for shall be erected to commemorate any person who shall not have rendered conspicuously distinguished service in the United States Army, Navy, or Marine Corps.

In other words, the Fine Arts Commission, or the commission through the Fine Arts Commission, recommends that John Smith's body be entombed, and it then comes to the Congress of the United States to determine whether he rendered conspicuous service or not, and that raises a question of fact.

Mr. GOULD. May I suggest that any objection to the consideration of the bill might be withdrawn and that amendments might be offered which would be satisfactory?

Mr. BEE. Let me finish this further statement. Then you provide that no memorial shall be erected or any body be entombed therein until 10 years after the date of his death. What are you afraid of after a fellow is dead? I can understand not putting up a memorial to anybody alive, because he might turn into a horse thief before he dies. In other words, suppose Gen. Pershing should die to-morrow. You could not entomb him in the Arlington Amphitheater for 10 years.

Mr. GOULD. Not if this legislation passes.

Mr. BEE. And before you can entomb him, Congress must give specific authority, and those gentlemen who have repeatedly stated on the floor of the House that he was a very poor soldier would have the opportunity to fight his battles over again before the House before he is buried in Arlington.

Mr. McKENZIE. The gentleman from New York does not mean to infer that Gen. Pershing could not be buried in the Arlington Cemetery?

Mr. GOULD. No; in this amphitheater.

Mr. BEE. I am rather disinclined to capitalize, because my capitalization days are over; but I am disinclined to agree that the private soldier who fought the battles of the Republic and carried the bullets of his enemy all of his life shall by a Fine Arts Commission and by a membership in Congress be denied the right to lie in the Nation's graveyard.

Mr. MANN of Illinois. He can be buried in Arlington Cemetery.

Mr. BEE. I do not distinguish between the cemetery and the amphitheater.

Mr. FESS. The gentleman must do so.

Mr. BEE. I do not admit that there is any more sacredness around the amphitheater than around the cemetery. No distinction should be used against a private soldier because he was not particularly distinguished.

Mr. MANN of Illinois. Many a private soldier has rendered conspicuous service.

Mr. BEE. And he will never be heard of either.

Mr. FESS. I would like to have the ear of the gentleman from Texas. I think he is confused as to the purpose of the bill.

The Fine Arts Commission is going to be called upon if anything is to be done to adorn or to increase the art effects of that magnificent amphitheater, which has just been completed. That is all that the Fine Arts Commission is going to have to do with it. Congress would scarcely give its agreement or assent to some addition of art without first consulting the Fine Arts Commission. That is all I think it has to do with it.

Then, on the other hand, about the interment; that, of course, does not mean in the cemetery. That means in this amphitheater, and that becomes immediately historically significant, and it ought not to be up to the Fine Arts Commission, and never has been sought to be, but it ought to be left to the body of Congress, I think, rather than this commission, which will be made up by this act and who are temporary, you know, and more or less political. It would seem that that feature ought to be left to Congress as the proper body.

Mr. BEE. I understand the gentleman from Ohio, therefore, to contend, on the one hand, that we ought to leave in the Fine Arts Commission the question of what tablets shall be put there or else Congress becomes a committee of judges of fine arts?

Mr. FESS. The Congress would act, but it would act upon the judgment of the Fine Arts Commission.

Mr. BEE. That is, it might act upon it?

Mr. FESS. That is what we have been doing. We did it with reference to the recently authorized power plant in the city here, although we did not have to do it. I think my friend has been somewhat confused as to what has been the function of the Fine Arts Commission in this bill.

Mr. BEE. I find that the function of the Fine Arts Commission is to do nothing except to indicate to 435 Representatives and 96 Senators what they think ought to be done.

Mr. FESS. If the gentleman will yield a moment in regard to the tablets, it was generally conceded that nothing in the form of statuary should be placed in the Capitol here without consultation with the Fine Arts Commission.

Mr. BEE. Without the consent of Congress?

Mr. FESS. Congress is the final judge as to what is to go in the Rotunda. The Committee on the Library can accept it.

Mr. KING. Can the gentleman give us an idea of the activities of the Fine Arts Commission?

Mr. BEE. I am anxious to find out something about that, because we create them and then by this act cut their heads off.

Mr. KING. To show the patriotism they have, they were instrumental in taking down the magnificent monument to Abraham Lincoln which was located in front of the old City Hall and placing it in cold storage, where it has been for over a year, to the disgrace of every man in this House.

Mr. BEE. Does the gentleman say that the Fine Arts Commission is responsible for that?

Mr. KING. Yes. Col. Ridley is the agent of the commission, and he backs up his opinion with the opinion of the Fine Arts Commission.

Mr. BEE. Was not Congress consulted in regard to that?

Mr. KING. Congress was not consulted. An appropriation was put through here for \$2,000, but it failed to state that it was for the removal of the statue of Abraham Lincoln. It simply said "for the removal of the statue." As a consequence the statue was taken down and put into cold storage, and it has remained there for two years.

Mr. BEE. We have heard a great deal about "jokers" this morning. That was the "joker" that was put in the bill?

Mr. KING. Certainly it was a "joker," because they knew that if Congress had known it, Congress never would have stood for it.

The SPEAKER. The time of the gentleman has expired. Is there objection?

Mr. BLANTON. I object.

The SPEAKER. Objection is heard.

PROMOTION OF TRADE IN CHINA.

Mr. DYER. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 16043.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

A bill (H. R. 16043) to authorize the incorporation of companies to promote trade in China.

Mr. KING. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. KING. Is this being taken up by unanimous consent?

The SPEAKER. Under suspension of the rules. The Clerk will report it.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "China trade act, 1921."

Sec. 2. When used in this act, unless the context otherwise indicates:

Mr. KING. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KING. This is the first reading of the bill, as I understand it?

Mr. MANN of Illinois. There is no other reading of the bill than this.

Mr. KING. Will it be necessary, then, to make a motion to amend at this time?

Mr. MANN of Illinois. There can be no motion to amend.

Mr. KING. It can not be amended? There can not be anything done with it?

Mr. MANN of Illinois. Oh, yes.

The Clerk resumed and concluded the reading of the bill, as follows:

The term "person" includes individual, partnership, corporation, and association;

The term "China" means (1) China including Manchuria, Tibet, Mongolia, and any territory leased by China to any foreign Government, (2) the Crown Colony of Hongkong, and (3) Province of Macao;

The term "Secretary" means the Secretary of Commerce;

The term "corporation" means a corporation chartered under the provisions of this act;

The term "Federal district court" means any Federal district court, the United States Court for China, and the Supreme Court of the District of Columbia;

The term "this act" includes all lawful regulations issued thereunder by the Secretary.

Sec. 3. The Secretary shall exercise all powers and perform all duties conferred on him by this act only through such officers or agents in China as he shall by regulation designate and authorize so to act, and for this purpose the Secretary may utilize such existing or create

such new offices or agencies as he deems necessary. For the purposes of this act, the action of any officer or agent so designated and authorized shall be made in the name and held to be the act of the Secretary: *Provided*, That upon appeal to the Secretary any such action may be affirmed, modified, or set aside by the Secretary, as he deems advisable.

SEC. 4. (a) Three or more individuals (hereinafter in this act referred to as the "incorporators"), a majority of whom are citizens of the United States, may in accordance with the provisions of this act from a corporation.

(b) Such corporation may engage in any business or enterprise conducted wholly within China and carried on with persons in China; except that the corporation—

(1) Shall not engage in any business or enterprise unlawful in the territory in which it is carried on; and

(2) Shall not engage in the business of discounting bills, notes, or other evidences of debt, of receiving deposits, of buying and selling bills of exchange, or of issuing bills, notes, or other evidences of debt, for circulation as money; nor engage in any form of banking business.

(c) The corporation shall not engage in any business or enterprise other than that authorized by subdivision (b), except that it—

(1) May purchase in the United States for transportation to China, goods, wares, or merchandise necessary to the establishment and conduct of a business or enterprise in which it is authorized to engage;

(2) May do in the United States and elsewhere any act which is incidental to the organization of the corporation or to the issue, sale, transfer, or redemption of its stocks, bonds, or other evidences of indebtedness; and

(3) May do in the United States and elsewhere any act which is approved by the Secretary as necessary to the establishment and conduct of any business or enterprise in which it is authorized to engage.

SEC. 5. The incorporators shall make application for a charter and file it with the Secretary in such manner and in such form as the Secretary shall by regulation prescribe. The application shall state—

(a) The name of the proposed corporation, which shall end with the legend, "Federal Inc. U. S. A.";

(b) The location of its principal office, which shall be in China;

(c) The purpose for which it is formed and the character of the business in which it is to engage;

(d) The amount of capital stock, the designation of each class of stock and the terms upon which it is to be issued, and the number and par value of the shares of each class of stock;

(e) The duration of the corporation, which may be permanent or for a limited time;

(f) The names, addresses, and designations of directors and officers, who shall be citizens of the United States, and who are hereby authorized to manage the affairs of the corporation until their successors are elected by the stockholders in accordance with the by-laws of the corporation;

(g) The fact that an amount equal to 25 per cent of the amount of capital stock has been in good faith subscribed and actually paid in cash, personal property, tangible or intangible, or real property, and is in the custody of the individuals specified in subdivision (f); and the name and address of each such subscriber. If any part of such payment is made in property other than cash, no charter shall be issued unless the Secretary finds that the property is described and its value stated in the same manner as provided in section 9, and that such value is the fair market value and is at least equal to the difference between 25 per cent of the capital stock and the amount of cash, if any, so paid in; and

(h) The time and place of the first stockholders' meeting, which shall be not later than one year after the issuance of the charter.

SEC. 6. No corporation shall have or use a corporate name which, in the opinion of the Secretary, is likely to mislead the public. No corporation shall maintain any office, including its principal, and home and branch offices, if any, at any place other than in China.

SEC. 7. The application for a charter shall be filed with the Secretary. If the Secretary finds that the application and statements therein conform to the requirements of, and that the incorporation is authorized by, this act, he shall, upon the payment of such fee as he shall by regulation prescribe, issue a charter authorizing the incorporators to act as a body corporate. The application shall thereupon constitute the articles of incorporation, and a copy of such articles shall be made a part of the charter and printed in full thereon. The Secretary shall, upon the payment of such fee as he shall by regulation prescribe, issue as many certified copies of the articles of incorporation or of the charter, as amended, as may be desired by any interested party. The corporation shall keep a copy of the charter, as amended, at the principal office specified in its articles of incorporation. Any failure, previous to the issuance of the charter, by the incorporators, or in respect to the application for the charter, to conform to any requirement of law which is a condition precedent to such issuance, may not subsequent thereto be held to invalidate the charter or alter the legal status of any act of the corporation thereunder, except in proceedings instituted by the Secretary to revoke the charter.

SEC. 8. (a) The corporation shall be a citizen of the United States invested with the powers and subject to the conditions and restrictions of this act. A majority of the voting shares issued by the corporation shall at all times be owned by citizens of the United States.

(b) The corporation—

(1) Shall have the right of succession;

(2) May use a corporate seal and alter it at pleasure;

(3) May sue and be sued;

(4) May make contracts and incur liabilities;

(5) May acquire and hold personal property, tangible and intangible, and real estate, necessary to effect the purposes for which it is formed, and dispose of the same when no longer needed for such purposes; and

(6) May borrow money and issue its notes, coupon or registered bonds, or other evidences of debt therefor, and secure their payment by a mortgage of its property.

SEC. 9. All shares of stock shall, when issued, be paid for in cash, personal property, tangible or intangible, or real property, at not less than their par value, and when so issued shall be held to be full-paid and nonassessable; but no stock shall be issued for personal property, tangible or intangible, or real property, unless (a) a description of the property for which the stock is to be issued and a statement of the value at which the property is to be received has been filed with the Secretary in such manner and upon the payment of such fee as he shall by regulation prescribe, and (b) the Secretary finds and has certified to the corporation that such value is not more than the fair market value of the property and is at least equal to the par value of the stock issued therefor.

SEC. 10. (a) The by-laws may provide—

(1) The time, place, manner of calling, giving notice, and conduct of, and determination of a quorum for, the meetings, annual or special, of the stockholders or directors;

(2) The number, qualifications, designations, and manner of choosing and fixing the tenure of office and compensation of all directors, officers, and employees: *Provided*, That the number of directors shall be not less than five, and the president, treasurer, and secretary, or corresponding officers, and a majority of the directors, shall be citizens of the United States resident in China;

(3) The designation of each class of stock and the terms upon which it is issued, the number and par value of the shares of each class of stock, the manner of calling for and collecting payments upon stock subscribed for, the penalties and forfeitures for nonpayment, the preparation of certificates of stock, and the manner of recording the sale or transfer of stock and its representation at stockholders' meeting.

(b) The by-laws of the corporation may be amended by the stockholders at a stockholders' meeting. No by-law or amendment thereto shall be in effect until (1) the corporation files a copy thereof in such manner and form and pays such fees in respect thereto as the Secretary shall by regulation prescribe, and (2) such by-law or amendment is found and certified by the Secretary to conform to the requirements of this act.

SEC. 11. The following questions shall be determined only by the stockholders at a stockholders' meeting: (a) amendments to the articles of incorporation or by-laws; (b) authorization of the sale of the entire business of the corporation or of an independent branch of such business; (c) authorization of the voluntary dissolution of the corporation. The adoption of any such amendment or authorization shall require a vote cast by at least a majority of the voting shares and the approval of at least three-fourths of such votes cast. No such amendment or authorization shall take effect until (1) the corporation files a statement of the action in such manner and form and pays such fees in respect thereto as the Secretary shall by regulation prescribe, and (2) such amendment or authorization is found and certified by the Secretary to conform to the requirements of this act.

SEC. 12. For the purposes of this act the fiscal year of the corporation shall correspond with the calendar year ending December 31. The corporation shall make and file with the Secretary, in such manner and form and at such time as the Secretary shall by regulation prescribe, a report of its business for each such fiscal year and of its financial condition at the close of the year. The corporation shall furnish a true copy of the report to each of its stockholders.

SEC. 13. Every dividend declared by the corporation shall be derived wholly from the surplus profits of its business, to be determined in such manner as the Secretary shall by regulation prescribe.

SEC. 14. It is hereby declared to be the purposes of this act (1) to promote trade and commerce with China and create and develop markets in China for articles of commerce exported from the United States; (2) to provide a means whereby citizens of the United States may form corporations therefor (3) so to regulate such corporations as to keep them at all times in control of individuals who are citizens of the United States, and (4) to provide for the proper conduct of such corporations. The Secretary of Commerce is authorized to prescribe and promulgate such regulations and issue such orders, not in conflict with the provisions of this act, as he deems necessary to carry into effect the provisions and purposes of the act, including the manner and form in which the corporation shall keep its records and accounts, and the amounts of any fees authorized to be prescribed by the Secretary. All fees paid to the Secretary shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 15. The Secretary may examine the business and affairs of the corporation whenever he has reason to believe that such business and affairs are being conducted in a manner (1) contrary to the provisions of this act or any other law or treaty of the United States, or of the articles of incorporation or by-laws of the corporation, or (2) detrimental to the business interests and good will of the United States. The cost of the examination shall be paid by the corporation upon the demand of the Secretary. If the corporation fails to pay such costs upon such demand, the Secretary may collect the amount of the costs in a civil suit against the corporation brought in the name of the United States.

SEC. 16. The Secretary may suspend the charter of a corporation whenever, with or without examination as provided in section 15, he becomes satisfied that the business and affairs of the corporation are conducted or have been conducted within the year last preceding in a manner (1) contrary to the provisions of this act or any other law or treaty of the United States, or of the articles of incorporation or by-laws of the corporation, or (2) detrimental to the business interests and good will of the United States. Such suspension shall not take effect until 10 days after the Secretary files suit in the United States Court for China for revocation of the charter of the corporation. Upon the petition of the corporation to the court at any time within 10 days after such suit is filed the court may, in its discretion, stay the suspension for such time up to its final decision in the suit as it deems advisable. The court shall revoke the charter of the corporation if it finds that the affairs and business of the corporation have been conducted in such manner.

SEC. 17. In case of the voluntary dissolution of the corporation or the suspension or revocation of its charter the directors of the corporation shall be the trustees of the creditors and stockholders of the corporation; except that upon application to the United States Court for China by any interested party, or upon the court's own motion in any proceeding pending before it, the court may, in its discretion, appoint as the trustees such individuals other than the directors as it may determine. In case of the voluntary dissolution or revocation of the charter of the corporation the trustees are invested with the powers and shall do all acts necessary to wind up the affairs of the corporation and divide among the stockholders according to their respective interests the property of the corporation remaining after all obligations against it have been settled. In case of the suspension of the charter of the corporation the trustees shall conduct the corporate affairs and are invested with the powers and subject to the liabilities and duties provided in this act for the corporation, its directors, officers, and stockholders. For the purposes of this section the trustees may sue and be sued in the name of the corporation and shall be jointly and severally liable to the stockholders and creditors of the corporation to the extent of the property coming into their hands as trustees.

SEC. 18. For the efficient administration of the functions vested in the Secretary by this act he may require, (a) by subpoena issued by him or under his direction the attendance of any witness and the production of any book, paper, document, or other evidence from any place at any designated place of hearing in China, or if the witness is actually resident or temporarily sojourning outside of China at any designated place of hearing within 50 miles of the actual residence or place of sojourn of such witness, and (b) by the taking of a deposition before any designated person having power to administer oaths. In the case of a deposition the testimony shall be reduced to writing by the person taking the deposition or under his direction, and shall then be

subscribed to by the deponent. The Secretary may administer oaths and examine any witness. Any witnesses summoned before the Secretary and any witness whose deposition is taken shall be paid the same fees and mileage as are paid witnesses in the courts of the United States.

(b) In the case of failure to comply with any subpoena or in the case of the contumacy of any witness appearing before the Secretary he may invoke the aid of any Federal district court. Such court may thereupon order the witness to comply with the requirements of such subpoena and to give evidence touching the matter in question. Any failure to obey such order may be punished by such court as a contempt thereof.

(c) No person shall be excused from so attending and testifying or deposing, nor from so producing any book, paper, document, or other evidence on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no natural person shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing, as to which in obedience to a subpoena and under oath, he may so testify or produce in evidence, documentary or otherwise. But no person shall be exempt from prosecution and punishment for perjury committed in so testifying.

(d) For the efficient administration of the functions vested in the Secretary by this act, he, or any officer, employee, or agent thereof, duly authorized in writing by the Secretary, shall at all reasonable times for the purpose of examination have access to and the right to copy any book, account, record, paper, or correspondence relating to the business or affairs of a corporation. Any person who upon demand refuses any duly authorized officer, employee, or agent such right of access or copying, or hinders, obstructs, or resists him in the exercise of such right, shall be liable to a penalty of \$500 for each such offense. Each day during any part of which such offense continues shall constitute a separate offense. Such penalty shall be recoverable in a civil suit brought in the name of the United States, and shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 19. The Federal district courts shall have exclusive original jurisdiction of all suits (except as provided by the act entitled "An act creating a United States Court for China and prescribing the jurisdiction thereof," approved June 30, 1906, as amended) against a corporation, or a stockholder, director, or officer thereof in his capacity as such. Suit against the corporation may be brought in the United States Court for China, or in the district in which the cause of action arose or in which the corporation has an agent and is engaged in doing business. A Federal district court having jurisdiction of such suit is authorized to direct service of process by registered mail upon the corporation. Any judgment, order, or decree rendered by the court in any such suit shall, upon the presentation of a certified copy thereof to any other Federal district court, be enforced by such other court, as the judgment, order, or decree may require.

SEC. 20. No (a) individual, partnership, or association, (b) corporation not incorporated under this act or under a law of the United States, or (c) corporation of the District of Columbia, shall engage in commerce among the several States or with foreign nations under a name in connection with which the legend "Federal Inc. U. S. A." is used. Any person violating this section shall upon conviction thereof be fined not more than \$100 for each violation. Each day or fraction thereof during which the violation continues shall be deemed a separate offense.

SEC. 21. No stockholder, director, officer, employee, or agent, of a corporation shall make, issue, or publish any statement, written or oral, or advertisement, in any form, as to the value or as to facts affecting the value of stocks, bonds, or other evidences of debt, or as to the financial condition or transactions, or facts affecting such condition or transactions, of any corporation which has issued or is to issue stocks, bonds, or other evidences of debt, if he knows or has reason to believe that any material representation in such statement or advertisement is false. No stockholder, director, officer, employee, or agent of a corporation shall, if all the authorized capital stock thereof has not been paid in, make, issue, or publish any written statement or advertisement, in any form, stating the amount of the authorized capital stock, without also stating as the amount actually paid in a sum not greater than such amount paid in. Any person violating any provision of this section shall, upon conviction thereof, be fined not more than \$5,000, or imprisoned not more than 10 years, or both.

SEC. 22. The following acts, including administrative and penal provisions thereof, shall extend to the acts, failures, and omissions of a corporation or the stockholders, directors, officers, employees, and agents thereof, in their capacity as such, even though such acts, failures, or omissions occur without the territorial jurisdiction of the United States:

(a) The act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914;

(b) The national prohibition act of October 28, 1919; and

(c) The act entitled "An act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, their salts, derivatives, or preparations, and for other purposes," approved December 17, 1914, as amended.

SEC. 23. (a) Section 231 of the revenue act of 1918 is amended by striking out the period at the end thereof, inserting in lieu thereof a semicolon, and adding a new subdivision to read as follows:

"(15) A corporation organized under the China trade act, 1921, but only if and with respect to any taxable year for which (a) it files a return at the time and place provided in section 241, made in the manner provided in section 239, and containing such information as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulation prescribe; (b) it declares dividends during the taxable year in an amount equal to one-third of its net income the payment of which not later than 60 days after the close of such taxable year is assured in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may require; (c) it derives less than 5 per cent of its gross income from sources within the United States; and (d) the Secretary of Commerce certifies to the Commissioner of Internal Revenue that during the taxable year the corporation in all respects has complied with the provisions of the China trade act, 1921, and regulations made thereunder. The Commissioner of Internal Revenue with the approval of the Secretary of the Treasury shall make all regulations necessary for the determination of such exemption, and of the liability of shareholders or members to taxation in respect to dividends paid by such corporation."

(b) Section 1 of the revenue act of 1918 is amended by adding at the end thereof a new paragraph to read as follows:

"A corporation organized under the China trade act, 1921, shall for the purposes of this act be considered a domestic corporation."

(c) Sections 232, 233, and 234 of the revenue act of 1918 are amended by inserting in each of such sections, after the words "corporation subject to the tax imposed by section 230," the words "or organized under the China trade act, 1921."

(d) Section 240 of the revenue act of 1918 is amended by adding at the end thereof a new subdivision to read as follows:

"(d) A corporation organized under the China trade act, 1921, shall not be deemed to be affiliated with any other corporation within the meaning of this section."

(e) Section 254 of the revenue act of 1918 is amended to read as follows:

"SEC. 254. That every corporation subject to the tax imposed by this title, every personal service corporation, and every corporation organized under the China trade act, 1921, shall, when required by the commissioner, render a correct return, duly verified under oath, of its payments of dividends, stating the name and address of each stockholder, the number of shares owned by him, and the amount of dividends paid to him."

SEC. 24. The Congress of the United States reserves the right to alter, amend, or repeal the provisions of this act.

The SPEAKER pro tempore (Mr. WALSH). Is a second demanded?

Mr. McCLINTIC. I demand a second.

Mr. DYER. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. DYER] is entitled to 20 minutes, and the gentleman from Oklahoma [Mr. McCLINTIC] to 20 minutes.

Mr. DYER. Mr. Speaker and gentlemen of the House, this legislation at this time is brought to the attention of the House at the special request of the Secretary of Commerce and those who are interested in seeing preserved the trade which we have in China.

Several years ago this matter was brought to the attention of Congress by the President of the United States, and he urged that legislation be enacted to give to our country and its nationals the same opportunity for trade in China that other nations were then and are now enjoying. Bills were presented both to the Senate and to the House at that time; in the Senate by Senator FLETCHER and in the House by Congressman Alexander, now Secretary of Commerce. Those bills in the House went to the Committee on the Judiciary, and we have been considering them for quite a while. We took the matter up in special subcommittee and investigated it with care and to the best of our ability. We called to our assistance the officials of the Department of State and the Department of Commerce, and experts in matters of this kind, and out of it finally drafted the bill which has been presented to the House to-day.

We believe that it covers the situation, and that everything is taken care of that is needed to be done. Not only the Committee on the Judiciary itself gave to it the attention which I have indicated, but we have had referred to the Committee on Ways and Means that portion of the bill which refers to revenue. The Committee on Ways and Means, through a subcommittee and then in full committee, also gave careful attention to it and reported to the Committee on the Judiciary the provisions of the bill which are incorporated in it referring to the revenue.

In China we have a situation which does not exist in any other place in the world. We have there what is known as extraterritorial jurisdiction. The Americans there and their interests and business are governed and managed in the American courts and consular offices. Chinese laws and Chinese courts have nothing to do with our business there. It is the same also with reference to every other country whose nationals are in China. For that reason it is necessary that we have not only courts there to take care of the local conditions but that we have laws for the guidance of Americans. We have no law in this country that will permit Americans who are in China, in the extraterritorial jurisdiction, to operate as do the nationals of other countries. Great Britain has laws specially enacted for its nationals with reference to carrying on trade. In former years Americans with no other avenue have incorporated and done business under British laws. Less than two years ago the British Government issued orders in council which make it impossible now for Americans to carry on business under British law in China, for the reason that the British Government refuses to allow Americans to occupy positions of management in those companies.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. DYER. I yield to the gentleman from Mississippi.

Mr. JOHNSON of Mississippi. I notice your bill provides that the United States courts shall have exclusive jurisdiction over there.

Mr. DYER. They do now.

Mr. JOHNSON of Mississippi. I am asking for information, because I really do not know. If a controversy should arise between a British subject and our Government, who would settle that, or would they take that up between the two countries?

Mr. DYER. We have mixed courts over there also.

Mr. JOHNSON of Mississippi. Mixed courts?

Mr. DYER. Yes. Where there is a matter between the nationals of two countries, it goes to what is known as a mixed court. Where it is exclusively American it goes to the American court.

Mr. JOHNSON of Mississippi. The Chinese courts have no jurisdiction at all?

Mr. DYER. No. We have mixed courts, composed of Chinese and Americans, where matters arise which involve Americans and Chinese; but where they involve only Americans they are tried in the American courts there.

How much time have I used, Mr. Speaker?

The SPEAKER pro tempore. The gentleman has consumed five minutes.

Mr. DYER. Unless some one desires to ask me a question, I desire to yield some of my time to some of my colleagues on the committee and others.

Mr. MCKENZIE. Will the gentleman yield?

Mr. DYER. I yield to the gentleman from Illinois.

Mr. MCKENZIE. My attention was diverted during the latter part of the gentleman's statement, but if I understand one of the purposes of the bill is to put our nationals engaged in business in China on the same footing as the nationals of France and England and other countries so far as taxation is concerned, which enters into the transaction of the business as an element of expense. That is one purpose of the bill?

Mr. DYER. Yes; that is one purpose, and the other is to provide a uniform incorporation law, so that Americans may conduct their business under such a law, and have the good name of the United States ably and well protected by every possible safeguard, and at the same time give to Americans over there every proper assistance. That is one purpose, and the other is to give them the same rights that other nationals now have with reference to exemption from taxation on business done by those companies in China. It does not exempt any American from paying his incorporation tax.

Mr. JOHNSON of Mississippi. That is what I wanted to ask about. I wish the gentleman would explain subdivision (d) of section 23 on page 18. It will save a lot of time. It gives the Commissioner of Internal Revenue the right to say who shall pay taxes and who shall not. Would there be any danger of these people being exempted from taxes?

Mr. DYER. Individuals?

Mr. JOHNSON of Mississippi. Yes.

Mr. DYER. No; they can not be.

Mr. JOHNSON of Mississippi. Well, the stockholders in a corporation?

Mr. DYER. Only the corporation itself.

Mr. JOHNSON of Mississippi. It would be exempted from all taxation?

Mr. DYER. Under the provisions of this section, so far as its business is in China. I will say to the gentleman that this section was prepared in connection with the experts of the Treasury Department and is designed only for the purpose of exempting these proposed companies on the business which they do in China.

Mr. JOHNSON of Mississippi. I am very much interested in this thing and know very little about it. I understand that the Treasury Department has recently rendered a very radical ruling, exempting breweries, and so forth, from losses they have sustained, and I feared that there might be something in this that should be explained to the House before they voted upon it.

Mr. DYER. I am quite sure that there is not, and I will say to the gentleman that we have not only given our attention to it, but the Committee on Ways and Means as well and the Treasury Department.

I reserve the balance of my time.

Mr. McFADDEN. Will the gentleman yield?

Mr. DYER. Yes.

Mr. McFADDEN. On page 4, in section 5 (a), it is provided:

The name of the proposed corporation, which shall end with the legend, "Federal Inc., U. S. A."

Mr. DYER. I will state that the purpose of that is to make plain that American companies, those who operate under this law, may be well known and that there may be no evasion. One of the reasons for a law of this kind is due to the fact that some people, other nationals, as well as some irresponsible

people from this country, have organized companies under some State law, gone over there, advertised as American companies, and by that means, although the money was furnished and controlled by foreigners, they have used that to get trade under the guise of being Americans.

Mr. McFADDEN. Does not the gentleman think that this might be abused by incorporators in the same way?

Mr. DYER. No; we provide in the bill to punish, under direction of the Secretary of Commerce, very effectively any abuses.

Mr. JOHNSON of Mississippi. I would like to ask the gentleman another question. On page 15, section 20, you provide a penalty for anyone who uses the word "Federal" or "I. C.," meaning, I suppose, incorporated company.

Mr. DYER. That is what the gentleman from Pennsylvania was asking about.

Mr. JOHNSON of Mississippi. And you state that you provide a penalty for a violation which is only \$100.

Mr. HAWLEY. If the gentleman will read the words at the top of the next page he will find that it is a continuing penalty.

Mr. DYER. Yes; it will mount up to considerable. We discussed that with care and attention.

Mr. CARAWAY. Will the gentleman yield?

Mr. DYER. Yes.

Mr. CARAWAY. I was looking at that a minute ago. Your language is so broad—suppose a citizen of Japan were to use those words in connection with his trade, how would you punish him? You could not make it an offense. You could not punish a citizen of some other country, because you have no power to do it. If you say a citizen of this country, you can punish him in China. You can not punish a citizen of Japan or a citizen of any other nation.

Mr. JOHNSON of Mississippi. All we can do is to legislate for our own people.

Mr. DYER. This provides that this will be an American corporation controlled by Americans.

Mr. McCLINTIC. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. GARD].

Mr. GARD. Mr. Speaker and gentlemen, I am free to say that under ordinary circumstances I am not very much impressed with the wisdom of granting Federal incorporations, because I think the matter of incorporation of business concerns is properly vested in the power of the State. While I know the general power of incorporation has been given to a number of organizations, they are almost all of a semipublic character, and there has been extreme reluctance—a proper reluctance—on the part of Congress to confer its prestige as a Federal corporation upon a business enterprise.

When I first knew this bill its came from the Department of Commerce and was advocated by its solicitor and other witnesses, some of whom were Americans residing in China. The bill was submitted to the Committee on the Judiciary, and by that committee submitted first to the Attorney General and then to the Treasury Department and then to the Department of Commerce for further opinion. After the opinion was received the bill in its then form was determined not to be reported. After that a suggestion again came from the Department of Commerce that the question of American trade in China was of such pressing importance that it viewed it as a necessity that there should be Federal incorporation to aid commercial enterprises in China.

Now, it is a singular thing, but nevertheless true, that there is no law in China which has very much to do, as a matter of fact, with corporations. The question of incorporation in China, therefore, is under different Governments. In other words, the question of incorporation in China is largely a question of the nationality of those who seek incorporation.

So it was made apparent to the Committee on the Judiciary that the American trade in China was a trade which was developed and growing and which should have encouragement by the Government of the United States. We here all know that American corporations might possibly do business in China by being incorporated under the State laws of Connecticut, or Illinois, or Pennsylvania, or any other State in the American Union. The real facts concerning this incorporation are two. The first is for the benefit of American trade. It is necessary that instead of being known as a Connecticut corporation or a Pennsylvania corporation that it be known as a corporation of the United States of America.

Mr. KING. Will the gentleman yield?

Mr. GARD. I will.

Mr. KING. Does it make it a Federal corporation to give it this name and insignia "United States of America"? Does that make it a Federal corporation? Is it not, as a matter of fact, a corporation of the District of Columbia, after all?

Mr. GARD. Incorporation is made by the Congress of the United States, and, of course, designation is made as a Federal corporation. Under some bills I think that the gentleman's interpretation is correct, nevertheless the idea here is that it is a benefit to the corporation to have associated with it the name of the United States of America and have its power conferred by the American Congress.

That is one of the things, and that is the first thing the committee had to consider. We finally determined that it was wise to permit the Government of the United States to incorporate in this instance for the benefit of American companies in China because there had been a great extension of American trade, and there existed the possibility of a greater extension of American trade in that great country of China. So the bill came back for the purpose of being safeguarded in the grant of corporate powers.

The bill went to a subcommittee, and the subcommittee reported to the full committee, and the full committee had its meeting, and reference was again made to the Treasury Department and to the Committee on Ways and Means, so that I think that the present bill in the effort to determine that which was proper to be given to Federal incorporation has probably been better considered than any other similar bill. I for one thought to give this opportunity to American citizens in China to advance American trade in China and with China through the medium of this Federal incorporation.

The SPEAKER pro tempore (Mr. WALSH). The time of the gentleman from Ohio has expired.

Mr. McCLINTIC. Mr. Speaker, I yield five minutes to the gentleman from North Carolina [Mr. SMALL].

Mr. SMALL. Mr. Speaker, the extension of our foreign trade is recognized universally as a matter of great importance to our economic welfare. The growth of that trade in the Pacific is increasing and its importance is acknowledged. There is no country in the Orient the trade of which is of larger value to the United States than that of China. The foreign trade of the United States with China largely depends upon the activities of Americans in that country, and those activities must, of course, be carried on almost exclusively by corporations. Heretofore those corporations have been such as were organized under the laws of the respective States, and they suffered under certain handicaps familiar to everyone. One purpose of this bill is to remove those handicaps and to provide for Federal incorporation. I am sure that the urgency is such as to remove any prejudice on the part of any Member against the authorization of Federal incorporations by Congress. To give them such an incorporation, surrounded by the simple but necessary limitations provided in this bill, will greatly enlarge the opportunity of such corporations to advance American trade in China. There is another handicap from which Americans suffer, and that is in the matter of taxation. Prior to the World War the United States enjoyed only about 6 per cent of the foreign trade of China. One of the results of the war was largely to increase American trade in China. Our greatest competitor, as in the past, is Great Britain, and in former times also France and Japan. The friendliness of China to Americans and their desire to trade with us is now recognized by everyone familiar with the attitude of the Chinese people. Great Britain and the other countries relieve their corporations engaged in trade in China from domestic income and excess-profits taxes. This bill simply puts American corporations upon a parity with British corporations and other foreign corporations. This bill is essential. Everyone who has studied the internal economic condition of China, or her friendliness toward the people of the United States, the large volume of products for export, the large amount of foreign production which her people consume, will realize in a moment the importance to the people of the United States of fostering in a manner such as this bill provides an enlarged opportunity of American corporations to increase American trade with China. While this bill comes up under a motion to suspend the rules, and therefore will require a two-thirds vote, its importance is so great that I hope no Member on either side of the House will vote against it.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. DYER. Mr. Chairman, I yield three minutes to the gentleman from New York [Mr. HUSTED].

Mr. HUSTED. Mr. Speaker, it is not possible to say very much in three minutes on a bill of this kind, but we all know that during this war, for the first time in our history, our country became organized upon an export basis. We have always needed foreign trade, and we need it now more than ever before. It is going to be impossible for us to sell our normal exports to Europe for years to come. We will certainly lose a large part of the business which we obtained in South

America during the war. China, with a population equal to all of Europe, with its resources scarcely scratched, its industries undeveloped, offers us the greatest field for the development of our foreign trade, especially as the Chinese people are probably more friendly to us than they are to the people of any other nation of the world. There are just two things that stand in the way of the development of our trade in China. One is the fact that we have no Federal incorporation act. The Chinese people do not know what a Connecticut corporation is or a Delaware corporation or what a New York or Pennsylvania corporation is, but they do know and have confidence in the United States of America, and they are willing to do business with her under the most favorable terms at any time. There is another difficulty, and that is that our merchants in China—and they are men of the highest character and of the highest standing—are not able to do business with the Chinese on the same terms that citizens of other nations of the world do, and that is because of the matter of taxation. We have got to adjust that difference or our merchants are bound to lose the trade, because the cost of production is bound to determine in the long run. At the present time Great Britain has by far the largest share of the trade there; we have only about 10 per cent; but the Chinese are so friendly and our merchants are so aggressive and so able and so determined to capture that trade, that if we give them a fair opportunity they will certainly do so.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. McCLINTIC. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. YOUNG].

Mr. YOUNG of Texas. Mr. Speaker, this is a most important piece of legislation now before the House, and there is but a short time in which to debate it. We are by this act undertaking to extend our foreign trade, and by this act we are establishing a great corporation, a corporation that will probably have tremendous power. I trust that the committee which has in charge this bill has seen to it that there are such limitations and restrictions thrown around it that it will not get out of hand. That has been the trouble with corporations heretofore. Our domestic corporations have begun to grow powerful, and the more power they have the harder it is to control them, and that power reaches from one end of the Nation to the other. We see that manifested now in the five great corporations of this country that control the meat supply and the food supply of the country. When they come to exercise that power in a way inimical to the producers and the consumers of the Nation, and Congress is appealed to to pass legislation to restrict those powers, you can not get the bill on the floor of Congress to restrict it, and what are some of the means they use? It is propaganda that they use. When the bill gets here and is passed by the Senate and when it comes out on this floor from a committee of the House, these packing corporations no longer stand under their own name, but they disseminate their propaganda through concerns like the chamber of commerce.

I have here a letter of February 7, written from the chamber of commerce, located in the Mills Building, by a man by the name of Defrees. Every Member of Congress gets it. He sends them to the other chambers of commerce, in which he denounces this legislation that has passed the Senate and will pass the House if but the majority leader [Mr. MONDELL] will let us have an opportunity to vote upon it.

Mr. SIMS. What chamber of commerce?

Mr. YOUNG of Texas. Here in this city, located in the Mills Building. Now, furthermore, I want to say to you that this man Defrees who writes this letter on June 28, 1915, had this correspondence, as shown in the Senate investigation of the packers:

Mr. L. A. CARTON. I attended a luncheon at the Midway Club on last Wednesday, June 23, at the request of Mr. Defrees.

Mr. John Fahey, president of the National Chamber of Commerce, was there, together with some other parties, including Mr. Forgan, Mr. Thomas Wilson (president of one of the Big Five), and quite a few others.

A new organization here in this city, the Institute of Meat Packers, are getting up and spreading propaganda and lobbying before Congress. This same man Wilson is the president of this new concern. The writer of this letter goes on to say:

Was considerably impressed with the program which they have laid out, and if they make any requests for financial assistance, we would like to know about it.

They maintain a bureau in Washington and evidently get a good hearing on all legislation.

This is signed "Louis F. Swift, president," and Mr. L. A. Carton was treasurer for the Swifts. This was when the Borland resolution was under consideration. Again, on July 7, 1916, there is another piece of propaganda I am talking about showing why we can not control these corporations. That is

why I am appealing to this House now in reference to the new corporation you are fixing to establish. This is July 7, 1916:

Mr. F. A. White.

He is vice-president of Armour Co.

We all agree that it is very important to flood the Judiciary Committee with telegrams from all over the country, and especially the districts where the Members come from, protesting against the passage of the Borland resolution—

That was the packer resolution, you will remember—

on the grounds live stock selling at very satisfactory prices and any investigation will only disturb present satisfactory conditions. Please arrange a meeting this morning with Veeder and Nelson Morris.

You know who they are—packers, of course.

Get a committee to work on this promptly. Presume banks and commission men—

Have you been getting letters from banks and commission men recently? I have—

feeders of cattle—

Mighty few have come.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McCLINTIC. I yield the gentleman two additional minutes.

Mr. YOUNG of Texas (reading)—

And live-stock men generally, and anyone else you can think of that will be helpful. Messages should also be sent to Congressmen as well as members of the Judiciary Committee. The Congressional Directory can give you the list of their names and where they come from. I refer to the Judiciary Committee, not the subjudiciary committee. Please get as much action as you can on this, and promptly, and have the messages sent varied in language.

They did not want all of them written in the same language. [Laughter.] This is signed "Arthur Meeker," who is vice president of Armour Co. This is in the evidence before the Senate committee in the hearings on the Borland resolution. It is this kind of rot, it is this kind of propaganda, it is this kind of power that when a corporation gets as powerful as these corporations have gotten that they control the meat supply of the people of this Nation and wield such power it seems we can not get a bill off of this calendar that is put there in due course, and we can not get a rule, and yet a rule is brought in to give \$400,000,000 to the railroads; you bring in rules for insignificant matters, and yet the gentleman from Kansas [Mr. CAMPBELL] is as dumb as an oyster when you make an appeal to have a rule brought in by which we can pass this law regulating packers within the next 12 or 24 hours.

Mr. McCLINTIC. Will the gentleman yield?

Mr. YOUNG of Texas. I will.

Mr. McCLINTIC. What reason does the gentleman have to believe that this legislation will not be considered at this session?

Mr. YOUNG of Texas. Well, I have appealed to everybody I know on the Republican side of the House to whom I could appeal on that side, and they are all as dumb as oysters. I noticed that a bunch of farmers and stockmen called on the majority leader the other day—Saturday—and they were rather emphatic in their conversation in an effort to have this bill considered, and these people said they had no hope, and I presume Mr. MONDELL gave the final decree.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. DYER. Will the gentleman use his time?

Mr. McCLINTIC. I believe I have a little more time.

Mr. DYER. Then will the gentleman use his? I have only one speech on this side.

Mr. McCLINTIC. I yield one minute to the gentleman from Pennsylvania [Mr. CAMPBELL].

Mr. CAMPBELL of Pennsylvania. Mr. Speaker and gentlemen of the House, all has been said in support of this measure except to say that I observed personally the necessity for such legislation as this during our visit to China last summer. We met as fine a crowd of Americans in China and in the Orient as you would care to meet anywhere. They were representative men from representative American concerns doing a wonderful business, but the opportunity is now open to us to extend our trade far beyond anything we have done in the past.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McCLINTIC. Mr. Speaker, I yield one minute to the gentleman from Texas [Mr. HARDY].

Mr. HARDY of Texas. Mr. Speaker, unless we can spread that minute, I do not know whether I can read the paragraph or not. It says:

Hundreds of Chinese young men who have been educated in our colleges and universities and engineering schools are anxious to cooperate with Americans in the development of China, using American materials, but they are debarred by our failure to enact legislation

providing the machinery for cooperation. In short we have educated these young men in our ways of doing business, but when it comes to actually doing the business we shortsightedly permit them to go to the British and Japanese.

That is the whole story, gentlemen. Unless we put our business enterprise in China upon a footing of equal advantage with that of England and Japan, we can do no business in that country, and this bill intends to bring about that equality there. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. McCLINTIC. Mr. Speaker, I yield the remainder of my time to the gentleman from Minnesota [Mr. VOLSTEAD].

Mr. DYER. Mr. Speaker, I yield the balance of my time to the chairman of our committee, the gentleman from Minnesota [Mr. VOLSTEAD].

The SPEAKER pro tempore. The gentleman from Minnesota is recognized for five minutes.

Mr. VOLSTEAD. Mr. Speaker, in the five minutes I think I will have time enough to say all I have to say.

As a rule, I have been very strongly opposed to the policy of granting Federal charters. When this matter came up I considered it pretty carefully. I felt that there was real necessity for giving our people in China a chance to meet competition on equal footing with their competitors, and that to do that it would be necessary to draft a law something along the line of this bill. A charter under some State law will not do the business. There are several reasons why.

As has been adverted to, the Chinese are friendly to this country. But they know but very little about our States. What our people need in dealing with the Chinese is something that has on it the American stamp, and that as to taxation will place them on an equality with other people trading in China; and it is of the utmost importance when we invest our people with the power to do business in China we do it under restrictions of such a character that we may preserve the good will of the Chinese. That can not be done under State laws. They are not adapted to business in a country such as China, where there are practically no laws to control them.

Mr. WINGO. I read this provision:

No corporation shall maintain any office, including its principal and home and branch offices, if any, at any place other than in China.

Mr. VOLSTEAD. I do not have time to yield.

Mr. WINGO. That is a remarkable provision.

Mr. VOLSTEAD. That, as I understand, is a provision that is copied from the English law. These corporations will not function in the United States. We intend to make them practically domestic corporations of China, for the purpose of aiding our trade and commerce there. We considered that feature very carefully.

I want to call to your attention that we have in this bill a large number of very important restrictions upon the activities of these corporations. We put them under supervision that we could not put corporations created by a State law. We give to the Secretary of Commerce power, if they interfere with trade or cause dissatisfaction with the Chinese in carrying on such trade, to revoke the charters and to investigate these corporations from time to time on complaint or on the Secretary's own motion.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. VOLSTEAD. Yes.

Mr. CHINDBLOM. Is it not a fact that this legislation is particularly urgent now by reason of an order issued by the British Government in October of 1919 that prevents Americans from continuing business under the British ordinance?

Mr. VOLSTEAD. Yes. Up to within a recent date we have been able to operate under English law.

Mr. DEWALT. Will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. DEWALT. How will this exemption clause in the bill affect the revenues of the Government, so far as corporation tax and surplus-profit tax are concerned?

Mr. VOLSTEAD. I do not think it will seriously affect it. The Judiciary Committee did not undertake to decide that question. We left it to the Ways and Means Committee. I have always insisted that the Judiciary Committee ought not to determine questions of taxation. Now, it does not exempt from taxation to the extent, perhaps, that some people may imagine, but only as far as the corporation tax is concerned; but to get that exemption one-third of the net profit must be declared as a dividend each year, and that dividend pays a tax if it goes to an American citizen the same as if derived from any other corporation.

Mr. DEWALT. Then the gentleman thinks it would not materially affect the revenue of the Government in regard to that taxation?

Mr. VOLSTEAD. I do not believe it would to any great extent. But if we are going to carry on business in China, we must give our people the same opportunity as the English and other foreign people have. They are exempted from corporation taxes, but are not exempt from income taxes upon dividends derived from their corporations when the income reaches the hands of the stockholders.

Mr. STEELE. And is it not true that the tax features of this bill have been gone over by the Ways and Means Committee and that this meets with their approval?

Mr. VOLSTEAD. Yes.

Mr. KING. Mr. Speaker, I demand a division.

Mr. WINGO. Mr. Speaker, I appeal to the gentleman from Missouri to make some effort to get an extension of time.

Mr. DYER. It is impossible to do so under a suspension of the rules.

Mr. WINGO. By unanimous consent we can extend it. Here is a proposition that is remarkable, and the only justification for it is that England has tried it.

Mr. MANN of Illinois. Mr. Speaker, I ask for the regular order.

Mr. WINGO. It has some legislation in it that this House has repeatedly turned down in regard to banking and currency.

The SPEAKER. The regular order is called for.

Mr. WINGO. Mr. Speaker, I ask unanimous consent that the debate be extended for 40 minutes.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. In the first place part of the time was used out of order. They did not even confine themselves to the bill.

Mr. WINGO. I did not speak on the bill at all.

Mr. MANN of Illinois. I am not talking about the gentleman from Arkansas. I am talking about the man who has only one thing on his mind.

Mr. WINGO. The gentleman must give him credit for that.

Mr. DYER. Mr. Speaker, reserving the right to object, I will state that there are a number of other matters that are to come up, and I feel constrained to object to any extension of time. This bill and the report and all have been sent to every Member of the House, and an endeavor has been made to acquaint them fully with it. I ask for a vote.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken.

Mr. WINGO. Mr. Speaker, I demand a division.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 114, noes 15.

Mr. WINGO. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Arkansas makes the point that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. As many as are in favor of suspending the rules and passing the bill will answer "yea" when their names are called; those opposed will answer "nay."

The question was taken; and there were—yeas 262, nays 35, not voting 131, as follows:

YEAS—262.

Ackerman	Caraway	Fish	Howard
Anderson	Carew	Focht	Hudspeth
Andrews, Nebr.	Carrs	Foster	Humphreys
Anthony	Carter	Frear	Husted
Ashbrook	Chindblom	Freeman	Igoe
Babka	Christopherson	French	Ireland
Barbour	Cleary	Fuller	Jacoway
Barkley	Coady	Gallivan	James, Va.
Bee	Cole	Gard	Jeffers
Begg	Cooper	Garrett	Johnson, S. Dak.
Benham	Crago	Goldfogle	Johnson, Wash.
Benson	Crisp	Goodall	Jones, Pa.
Black	Crowther	Goodykoontz	Jones, Tex.
Bland, Va.	Currie, Mich.	Gould	Juul
Blanton	Dallinger	Graham, Ill.	Kearns
Boles	Darrow	Green, Iowa	Keller
Bowers	Davis, Minn.	Greene, Mass.	Kelly, Pa.
Bowling	Davis, Tenn.	Greene, Vt.	Kendall
Box	Dempsey	Griest	Kettner
Brand	Denison	Griffin	Kless
Brinson	Dewalt	Hadley	Kinkaid
Britten	Dickinson, Iowa	Hardy, Colo.	Knutson
Brooks, Ill.	Dickinson, Mo.	Hardy, Tex.	Kraus
Browne	Dominick	Hastings	Lampert
Brumbaugh	Dowell	Hawley	Langley
Buchanan	Drewry	Hayden	Lanham
Burroughs	Dyer	Hays	Larsen
Butler	Echols	Hernandez	Lea, Calif.
Byrnes, S. C.	Elliot	Hersey	Lee, Ga.
Byrnes, Tenn.	Esch	Hickey	Leibach
Caldwell	Evans, Nebr.	Hicks	Linthicum
Campbell, Kans.	Fairfield	Hoch	Little
Campbell, Pa.	Fess	Hoey	Longworth
Cantrill	Fields	Houghton	Luce

Lufkin	Ogden	Rouse	Tillman
Lubbing	Oliver	Rowe	Tilson
McAndrews	Olney	Sabath	Timberlake
McArthur	Osborne	Sanders, N. Y.	Tincher
McDuffie	Padgett	Sanford	Tinkham
McKenzie	Palge	Schall	Towner
McKeown	Park	Scott	Treadway
McKinley	Parker	Siegel	Upshaw
McLaughlin, Mich.	Parrish	Sims	Vaile
McLaughlin, Nebr.	Patterson	Sinnott	Volstead
McLeod	Pell	Small	Walsh
McPherson	Peters	Smith, Idaho	Walters
MacGregor	Phelan	Smith, Ill.	Ward
Magee	Pou	Smith, Mich.	Wason
Major	Purnell	Smithwick	Watkins
Mann, Ill.	Radcliffe	Snyder	Watson
Mansfield	Raker	Stedman	Welty
Mapes	Ramsey	Steele	Whaley
Mays	Randall, Wis.	Steenerson	White, Kans.
Merritt	Ransley	Stephens, Ohio	White, Me.
Michener	Rayburn	Stiness	Williams
Miller	Reber	Strong, Kans.	Wilson, Ill.
Milligan	Reed, N. Y.	Strong, Pa.	Wilson, Pa.
Mondell	Reed, W. Va.	Summers, Wash.	Winslow
Moore, Ohio	Rhodes	Summers, Tex.	Woods, Va.
Moore, Va.	Ricketts	Sweet	Woodyard
Mott	Riddick	Swindall	Wright
Murphy	Robinson, N. C.	Swope	Yates
Nelson, Wis.	Robison, Ky.	Tague	Young, N. Dak.
Newton, Mo.	Rodenberg	Taylor, Tenn.	Young, Tex.
Nicholls	Rogers	Temple	
Nolan	Rose	Thompson	

NAYS—35.

Almon	Johnson, Miss.	Nelson, Mo.	Steagall
Aswell	Kincheloe	O'Connor	Stephens, Miss.
Bland, Ind.	King	Oldfield	Stevenson
Briggs	Lankford	Quin	Venable
Collier	Lazaro	Rainey, Henry T.	Weaver
Connally	McClintic	Ramseyer	Wilson, La.
Dupré	Martin	Romjue	Wingo
Huddleston	Minahan, N. J.	Sherwood	Wood, Ind.
Johnson, Ky.	Moore, Ind.	Sisson	

NOT VOTING—131.

Andrews, Md.	Edmonds	Kahn	Rainey, John W.
Ayres	Ellsworth	Kelley, Mich.	Randall, Calif.
Bacharach	Elston	Kennedy, Iowa	Reavis
Baer	Emerson	Kennedy, R. I.	Riordan
Bankhead	Evans, Mont.	Kitchin	Rowan
Bell	Evans, Nev.	Klecza	Rubey
Bland, Mo.	Ferris	Kreider	Rucker
Brooks, Pa.	Fisher	Layton	Sanders, Ind.
Burdick	Flood	Leshner	Sanders, La.
Burke	Fordney	Loneragan	Scully
Candler	Gallagher	McCulloch	Sears
Cannon	Gandy	McFadden	Sells
Casey	Ganly	McGlennan	Shreve
Clark, Fla.	Garner	McKiniry	Sinclair
Clark, Mo.	Glynn	McLane	Slemp
Classon	Godwin, N. C.	Madden	Smith, N. Y.
Copley	Good	Maher	Snell
Costello	Goodwin, Ark.	Mann, S. C.	Stoll
Cramton	Graham, Pa.	Mason	Sullivan
Cullen	Hamill	Mead	Taylor, Ark.
Curry, Calif.	Hamilton	Monahan, Wis.	Taylor, Colo.
Dale	Harrell	Montague	Thomas
Davey	Harrison	Moon	Vare
Dent	Haugen	Mooney	Vestal
Donovan	Hersman	Morin	Vinson
Doolling	Hill	Mudd	Voigt
Doremus	Holland	Neely	Volk
Doughton	Hulings	Newton, Minn.	Webster
Drane	Hull, Iowa	O'Connell	Wellington
Dunbar	Hull, Tenn.	Overstreet	Wheeler
Dunn	Hutchinson	Perlman	Wise
Eagan	James, Mich.	Porter	Zihlman
Eagle	Johnston, N. Y.	Rainey, Ala.	

So, two-thirds voting in the affirmative, the rules were suspended and the bill passed.

The Clerk announced the following pairs:

Mr. MASON with Mr. KITCHIN.

Mr. KAHN with Mr. DENT.

Mr. FORDNEY with Mr. GARNER.

Mr. HARRELD with Mr. FERRIS.

Mr. REAVIS with Mr. CLARK of Missouri.

Mr. GOOD with Mr. FLOOD.

Mr. ZIHLMAN with Mr. SANDERS of Louisiana.

Mr. MADDEN with Mr. MONTAGUE.

Mr. HAUGEN with Mr. TAYLOR of Colorado.

Mr. MUDD with Mr. HOLLAND.

Mr. WHEELER with Mr. MCKINIRY.

Mr. KLECZKA with Mr. MAHER.

Mr. VARE with Mr. MOON.

Mr. PERLMAN with Mr. SEARS.

Mr. COSTELLO with Mr. THOMAS.

Mr. EDMONDS with Mr. CASEY.

Mr. BACHARACH with Mr. GANDY.

Mr. SINCLAIR with Mr. OVERSTREET.

Mr. VOIGT with Mr. HERSMAN.

Mr. ELSTON with Mr. EVANS of Nevada.

Mr. MCFADDEN with Mr. VINSON.

Mr. SNELL with Mr. FISHER.

Mr. ANDREWS of Maryland with Mr. BELL.

Mr. CANNON with Mr. RUBEY.
 Mr. VESTAL with Mr. NEELY.
 Mr. KENNEDY of Iowa with Mr. SULLIVAN.
 Mr. VOLK with Mr. RAINEY of Alabama.
 Mr. HILL with Mr. RANDALL of California.
 Mr. MONAHAN of Wisconsin with Mr. WELLING.
 Mr. WEBSTER with Mr. LESHER.
 Mr. HULL of Iowa with Mr. DRANE.
 Mr. BAER with Mr. MCGLENNON.
 Mr. NEWTON of Minnesota with Mr. STOLL.
 Mr. JAMES of Michigan with Mr. WISE.
 Mr. SELLS with Mr. RIGGARD.
 Mr. LAYTON with Mr. SMITH of New York.
 Mr. SANDERS of Indiana with Mr. TAYLOR of Arkansas.
 Mr. SLEMP with Mr. RUCKER.
 Mr. HULINGS with Mr. DOREMUS.
 Mr. BROOKS of Pennsylvania with Mr. O'CONNELL.
 Mr. MOEN with Mr. JOHN W. RAINEY.
 Mr. SHREVE with Mr. HULL of Tennessee.
 Mr. HUTCHINSON with Mr. HAMILL.
 Mr. BURDICK with Mr. GODWIN of North Carolina.
 Mr. CURRY of California with Mr. GANLY.
 Mr. PORTER with Mr. BANKHEAD.
 Mr. CLASSON with Mr. GODWIN of Arkansas.
 Mr. KELLEY of Michigan with Mr. CLARK of Florida.
 Mr. BURKE with Mr. EVANS of Montana.
 Mr. GRAHAM of Pennsylvania with Mr. AYRES.
 Mr. COMLEY with Mr. DONOVAN.
 Mr. HAMILTON with Mr. MOONEY.
 Mr. MCCULLOCH with Mr. DAVEY.
 Mr. DUNBAR with Mr. BLAND of Missouri.
 Mr. DUNN with Mr. HARRISON.
 Mr. CRAMTON with Mr. GALLAGHER.
 Mr. KREIDER with Mr. CULLEN.
 Mr. DALE with Mr. MEAD.
 Mr. KENNEDY of Rhode Island with Mr. EAGAN.
 Mr. EMERSON with Mr. DOOLING.
 Mr. GLENN with Mr. CANDLER.
 Mr. ELLSWORTH with Mr. DOUGHTON.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. Two-thirds having voted in the affirmative, the rules are suspended, and the bill is passed.

NEW YORK STATE BARGE CANAL.

Mr. PARKER. Mr. Speaker, I move to take from the Speaker's table S. J. Res. 161 and suspend the rules and pass the same with the amendments which I send to the Clerk's desk.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass the joint resolution which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 161) to exempt the New York State Barge Canal from the provisions of section 201 of H. R. 10453.

Resolved, etc. That at the end of 30 days after the passage of this resolution the authority conferred upon the Secretary of War under section 201 of the transportation act, 1920, to operate for commercial purposes boats, barges, tugs, or other transportation facilities upon the New York State Barge Canal shall cease, and thereafter there shall be no such operation by the Secretary of War or any other agency of the United States. The Secretary of War shall as soon as is practicable dispose of boats, barges, tugs, and other transportation facilities purchased or constructed for use upon the said canal, and, pending final disposition, the Secretary of War may lease the same: *Provided*, That all the money obtained from the sale or lease of these boats, barges, and tugs shall be available until expended by the inland and coastwise waterways service of the War Department in the inauguration and development of other inland, canal, and coastwise waterways in accordance with the expressed desire of Congress in section 500 of the transportation act, 1920: *Provided further*, That not to exceed 25 per cent of the boats, barges, and tugs built or purchased for the United States, herein authorized to be sold, may be retained by the United States for the operation of other inland, canal, or coastwise routes of the United States until such equipment can be replaced by other equipment to be purchased from funds received from the sale prescribed above.

Amend the title so as to read: "Joint resolution to exempt the New York State Barge Canal from the provisions of section 201 of the transportation act, 1920, and for other purposes."

Mr. SIMS. Mr. Speaker, a point of order. I demand a second, but I want the point of order settled first. The bill has been reported with amendments, which are indicated on the face of the bill as reported by the Committee on Interstate and Foreign Commerce. The Clerk stopped reading with the word "same," in line 6, page 2, and did not read the words of the bill from that point on, ending with the word "final," in line 13, page 2. He omitted all the intervening words. I suppose the gentleman from New York [Mr. PARKER] proposes to move to pass the bill with the committee amendments and with the additional amendment, to wit, striking out all after the word "same," in line 6, page 2, down to and including the word "final," in line 13, page 2.

The SPEAKER. The gentleman from New York moves to pass the bill as it has been read.

Mr. SIMS. But the Clerk did not read the amendments.

The SPEAKER. He did not have to read them. He read the bill as the gentleman from New York moves to pass it.

Mr. PARKER. The motion I made was that the bill be passed with the amendments indicated as the bill was sent to the desk.

Mr. SIMS. But there was no indication of an amendment, as far as I could hear, touching the matter stricken out that I have just mentioned. He did not indicate the amendment striking out all after the word "same," in line 6, down to and including the word "final," in line 13, which were not called to our attention.

Mr. PARKER. The gentleman's attention was called to it, because it was not read. It was omitted.

Mr. SIMS. But the Clerk has no right, arbitrarily, to read in or read out anything. The committee has the right to do that and the gentleman has the right to make that motion.

The SPEAKER. The gentleman from New York was recognized to move to suspend the rules and pass the bill which was read, and that is the bill which is before the House.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. Has a member of a committee authority to move to suspend the rules and pass a bill other than as he is authorized by the committee?

The SPEAKER. He certainly has.

Mr. SIMS. I know of no parliamentary rule by which a member of the committee without action by the committee can simply have a bill read in part, by way of amendment or having that effect. I make that point of order, Mr. Speaker.

Mr. MANN of Illinois. I should say that Speaker CLARK at least 40 times stated to the House when a Member was recognized to move to suspend the rules that he could send up any amendment he wanted to, and that the Clerk would read the bill as amended.

Mr. SIMS. That is it. The point is the Clerk should read the amendments, so as to show what is stricken out.

Mr. MANN of Illinois. Not at all. The Clerk reads it as it will be if amended. That is the universal practice on a motion to suspend the rules.

Mr. SIMS. I am heartily in favor of the amendment. I am not captious about it, but I did not want to have any question about it being so amended, because it has got to go back to another body.

Mr. WINGO. Regular order!

Mr. MANN of Illinois. You can move to suspend the rules and pass a bill without its ever having been printed at all or considered by any committee.

Mr. SIMS. I know; but this bill has got to go back to another body, and there ought to be a definite appearance or statement of what the amendments are that are included in the motion to suspend the rules.

Mr. MANN of Illinois. There is a definite appearance of what the amendments are.

Mr. WINGO. I infer that they are too definite for the gentleman.

Mr. SIMS. I demand a second.

Mr. PARKER. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from New York asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from New York [Mr. PARKER] has 20 minutes and the gentleman from Tennessee [Mr. SIMS] has 20 minutes.

Mr. PARKER. Mr. Speaker, please notify me when I have used 10 minutes.

This resolution now before the House is of the utmost importance to the people of New York State, or perhaps I should say that they think it is, which is just the same thing.

Under the Federal control act which was passed to give the Director General control of the transportation of the country during the war there was included the water transportation on inland waters. When the transportation act of 1920 was passed, the Esch-Cummins bill, control of this inland water transportation was transferred to a bureau in the War Department.

There are three different systems that are being developed by the Federal Government. One is the Mississippi River, another is the Black Warrior River, and the third is the barge canal system of New York State. The conditions are not at all analogous on these various waterways. On the Mississippi River and on the Black Warrior River the channel is main-

tained by the Federal Government at Federal expense. The buoys are set at Federal expense, the lights are maintained at Federal expense. On the New York Barge Canal we have an artificial waterway, built entirely by New York State taxation, maintained entirely at the expense of the taxpayers of the State of New York.

We ask no favors, we simply believe that we should be allowed to develop these waterways in the way we think is for the best interests of the people of this country.

Mr. GARRETT. Will the gentleman yield?

Mr. PARKER. I will yield to the gentleman.

Mr. GARRETT. Most of us have the bill as printed, but we were unable to get the wording of the bill read by the Clerk. Will the gentleman indicate what change is made between the printed bill that we have and the bill the Clerk read? The gentleman can do it in his own time.

Mr. PARKER. I will be very glad to do it; I will do it when I finish my statement. This was submitted in a referendum. We in New York spent \$200,000,000 in building the barge canal system, which is free to everybody in this country. The State of New York could not derive one dollar direct benefit from the expenditure. We do not expect to. It costs incidentally \$2,000,000 a year to maintain this canal system.

I do not stand here claiming that we are altruistic, but we do expect that the freight that comes over the canal and comes down the Great Lakes will go to the port of New York and that port will be maintained as the supreme port of export in this country. That is where we expect to get our benefit. You gentlemen whose products go over the canal, if it is to be any advantage to the State must go through to the port of New York, and you get the low rates.

When these activities of the director general were turned over to the War Department, the boats that were built were operated last year with a deficit to the Federal Government of almost \$200,000. We claim that the only hope of getting development of commerce on this great canal system, in any way that will be a practical benefit to us, by stimulating business in Buffalo and New York, will be to have it developed by private interests and let them take over the operation of our canal. There is very little opposition to that part of the resolution. The opposition comes to the disposition of the equipment.

I wish you would give close attention to the description I am going to give of the equipment. The Government has spent, in round numbers, \$3,800,000 for equipment on the New York Canal. It has spent about \$6,500,000 on equipment for the Mississippi River. It has spent \$1,500,000 on the Black Warrior River. Now, we do not interfere or object in the slightest degree to the Government activities on the Mississippi and the Black Warrior Rivers. The gentlemen down there, representing their constituents, apparently want those boats on those rivers and we are willing that they should have them.

There are two types of boat built by the Government. One a barge with power in it, with part cargo and part power, and which tows behind it a loaded barge, and then there is the barge that is loaded. Those are the only two kinds of boats the Government has built.

The figures I am quoting come from the War Department. The type of boat that is used on the Erie Barge Canal is 150 feet long and 20 feet wide, with a loaded draft of 9½ feet, and with 400 horsepower. On the Mississippi River the boats are 250 feet long, 40 feet wide, with a loaded draft of 6½ feet, but with a horsepower of 1,800. On the Black Warrior River is the same type of boat, 280 feet long and 49 feet wide, 7 feet draft loaded, and 900 horsepower.

Why the difference? It is perfectly obvious to us the canal system is dead water with no current. The Mississippi River is shoal and the current runs swiftly and the boats can not proceed up the river unless they have a very much higher horsepower than the boats on the canal system. The same is true of the Warrior River. The barges are practically of the same size and dimensions as the power barges.

Gen. Hines, before our committee when this question was discussed, made the statement, which my friend is going to use in a moment, that this equipment can be used on these waters. Of course it can; anything can be used that can float; but it could not be used economically. Take a boat 20 feet wide, with a load of 9½ feet, and you are going to sink her down 6 feet. What will happen? The displacement will be 3 feet, and when you put her down the other 3 feet she is not loaded to half her capacity. We want the Government to sell the equipment, the same as it has sold other war equipments.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. PARKER. I will.

Mr. MOORE of Virginia. How many of these boats are there?

Mr. PARKER. There are 20 self-propelled barges and 21 concrete barges and 51 steel barges.

Mr. MOORE of Virginia. What are they supposed to be worth, roughly?

Mr. PARKER. I have stated that; I will give it again. The expenditure of the Government under war prices on the Erie Canal System was \$3,800,000. The expenditure on the Mississippi was \$6,500,000 and on the Black Warrior \$1,500,000.

Mr. CRISP. To whom is it proposed to sell the equipment?

Mr. PARKER. We very much want it sold to private individuals, as it will be. One-quarter of the equipment is to be used between Baltimore and New Bern, N. C., where they believe they can use a little equipment advantageously. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. SIMS. Mr. Speaker, Federal operation on the New York Barge Canal began in September, 1918, and has continued ever since. At the time the Government commenced operation the new barge canal was not entirely completed. There were no large, well-organized lines operating thereon. The Government chartered what equipment there was then available and proceeded at once to organize a regular service. The equipment thus secured was inadequate and mechanically inefficient.

Realizing this fact, the Government, through the agency of the Railway Administration, investigated the special peculiarities of the New York canal and caused to be designed and constructed a fleet of cargo barges and self-propelled barges for use on the canal. This fleet had to be created from the design straight through to the driving of the last rivet by the Government. As a result of this action on the part of the Government there are to-day on the New York Barge Canal 20 self-propelled barges and 72 new cargo barges. Due to the fact that the Government was compelled to create this fleet, it was not until late in 1919 that the fleet of cargo barges made its effect felt, and it was not until 1920 that any of the self-propelled barges were actually put into service. Even to-day one of the self-propelled barges is yet to be delivered.

Bearing these facts in mind, I call attention to the following table, which gives briefly a statement of the performance of the Government fleet on the barge canal during 1919 and 1920:

Tonnage, revenue, expenses, and deficits, New York canal section, inland and coastwise waterway service.

	Tonnage	Revenue	Expenses	Deficit	Operating cost.
1919.					
January.....		\$3,479.20	\$20,803.24	\$17,324.04	Per cent. 597
February.....		3,776.43	17,172.52	13,396.09	454
March.....		16,541.86	11,546.13	14,965.23
April.....		2,549.41	12,808.44	10,259.03	502
May.....	15,322	48,898.42	54,453.55	5,555.23	111
June.....	15,016	48,832.33	73,407.59	24,575.26	159
July.....	30,239	87,619.13	83,114.97	4,504.16	95
August.....	30,731	89,885.22	97,935.42	8,050.20	108
September.....	31,819	97,054.05	103,857.64	6,803.59	107
October.....	21,991	58,114.81	96,590.91	38,476.10	166
November.....	21,140	70,287.31	63,047.14	7,240.17	97
December.....		16,313.83	44,341.60	28,027.77	271
Total.....	163,258	510,268.78	670,983.99	160,715.21	131
1920.					
January.....		4,278.18	14,170.72	9,892.54	331
February.....		1,183.43	11,538.42	11,751.90
March.....		1,793.89	6,638.75	4,842.06	293
April.....		3,425.56	19,115.16	15,689.50	553
May.....	29,492	101,997.75	69,520.78	32,476.97	68
June.....	23,950	75,050.96	68,475.58	7,575.38	90
July.....	31,240	105,293.43	102,208.97	3,084.46	97
August.....	24,604	76,419.39	149,584.62	73,165.23	196
September.....	18,847	72,167.71	86,773.20	14,605.49	120
Total.....	128,140	441,212.24	528,057.20	86,837.96	119

¹ Deduction due to adjustment of demurrage charges, 1918, which were settled in December, 1920.

² Adjustment on account of overcharge for fuel, 1918, which was a credit to "expenses" in this month.

³ Profit.

An inspection of these figures will show that up to October, 1920, there was still a total annual deficit in the operation of the canal. This, however, should not be surprising in view of the conditions under which the Government has been operating. It will be noted that the figures are continually improving. The tonnage is increasing and the cost of operation is decreasing.

It is doubtful whether any private enterprise could have accomplished what the Government has done in the way of developing a regular service on the barge canal in the face of the difficulties which this enterprise has had to meet. It is pioneer work from start to finish; the good will of the general public has to be secured, and at the same time numberless problems of varied character have to be worked out with the

rail carriers—carriers traditionally opposed to successful operation of inland waterway services.

It has been said that the Erie Canal has been a highway for inland water traffic for the past century. Such, to a certain extent, has been true, but the service which was found satisfactory 25 or 50 years ago will not meet present conditions. The day of the itinerant bargeman, owning and operating his own barges at rates established for the particular occasion, is past. Such service will not develop inland waterways nor hold traffic on waterways previously teeming with boats. The service of the future must approximate as nearly as possible the service of any other great trunk-line transportation company, either railway or steamship.

It was with this end in view that the Government established its barge line on the New York Canal, and it has been with this end constantly in view that operation has continued. As above outlined, it is not believed that any transportation company could have organized a barge line such as the one organized by the Federal Government on the New York Canal and have operated it under the adverse conditions that the Federal Government has operated while building up business and overcoming the other numerous obstacles. This work is not complete. It could hardly be expected that a commercial concern would be willing to take over its operation when as yet it still shows an annual deficit. I feel confident, however, that another year of operation with all the new equipment in active service, with the benefit of the experience of the past two years in heavy barge line operation, will enable Government operation to show conclusively that a real barge transportation service on the New York Canal is practicable and profitable.

Then it will be time to consider the means by which this service can be transferred from Federal to private control. I feel certain that any hasty steps taken now toward the discontinuance of Federal service on the New York Barge Line will merely lead to a dissipation of the magnificent Government fleet. The Federal Government will find itself in a position where, after expending vast sums of money in the creation of unexcelled barge-line equipment and operating for two years with increasing success, it discontinues this operation before the public in general can reap the benefit of the Government's efforts.

In considering this problem the people of the State of New York can not be considered as alone vitally interested in this canal. True, the canal is the property of the State of New York. The traffic on this canal, however, is only in a small part the traffic of that State. Equally, if not even more, interested in the success or failure of real operation on the New York Barge Canal are the producers of the great Northwest. Before taking any action of as far-reaching significance as is contemplated, the wishes of the people of the upper Mississippi Valley and Great Lakes region should be given weighty consideration.

This resolution unamended makes it mandatory on the Secretary of War, within 30 days after its passage, or as soon thereafter as practicable, to dispose of all boats, barges, tugs, and other transportation facilities purchased for use upon said canal; and as it passed the Senate gives to proposed purchasers who intend to use the same upon said canal the first opportunity to buy the property ordered to be disposed of by the Secretary of War, and provides for a method of arbitration if a proposed purchaser and the Secretary of War are unable to agree on the price to be paid. No discretion whatever is left with the Secretary of War as to the terms of sale. He must accept the bid offered or resort to the method of arbitration provided as to the bid offered; but in the meantime the Secretary of War may lease the property for which the unaccepted bid was made for use upon the canal; that is, upon condition of use upon the canal.

This is a departure from the usual method of disposing of Government property and is unfair and unjust to the United States. If these tugs, barges, and other property are to be sold, it should be done at public auction to the highest and best bidder, regardless of whether the highest and best bidder may or may not intend to operate the property so purchased, and the Secretary of War should be authorized to accept or reject all bids that may be made for all or any part of the property sold and be authorized to readvertise and resell the property until an acceptable bid or bids are received as may be necessary in the judgment of the Secretary to protect the public interest by securing a just and fair price for each and every piece or parcel of said property.

I do not regard it as being wise or in the public interest or in the interest of the people of New York State to sell said equipment at this time. I believe it is manifestly in the interest of the people of New York, and also to the best interest of the people who are adjacent to the Great Lakes, that the Govern-

ment should retain this equipment during the shipping season on said canal for the year 1921.

In the hearings on this resolution expressions were loosely made that would leave the impression that the Government was actually in exclusive possession and control of the canal, and was monopolizing the use and operation of same to the detriment and damage of the people and State of New York, and to the exclusion of private owners of canal equipment. Such an impression is without the slightest foundation in fact. The Government operates its own barges and tugs on the canal, just as any private owner of such equipment can and does operate same, and enjoys no special privilege or benefit of any kind. The rates are prescribed for Government owned and operated barges and tugs by the identical same authority that prescribes rates for privately owned and operated craft. No tolls are collected for use of the barge canal from either the Government or private owners.

The Government has lost money in its operations on the canal, as shown above, but its losses are growing less all the time. It was necessary for the pioneer work to be done at an initial loss, whether done by the Government or by private ownership and operation.

Inasmuch as the cost of construction of this magnificent fleet and its operation so far has been borne by the public taxpayer, I earnestly insist that if the property is to be sold, it should be done in such manner and on such terms and conditions as will enable the Government to realize the highest and best prices possible for same, to the end that the Government may be reimbursed as fully as possible for the losses sustained by it in this great undertaking. This can not be done under the terms and conditions of this resolution even as amended by the committee.

Mr. Speaker, this is not a bill that should cause any feeling and I assure you there is none on my part. Neither the Black Warrior nor the Mississippi serve my section of the country, and undoubtedly the barge canal does not. But I am still a citizen of the United States and still a Member of the House and a member of the Committee on Interstate and Foreign Commerce that reported this bill. I had nothing to move me except the public interest.

As before stated the Railroad Administration during the war, under the war control act, did not take over the barge canal, did not get in the way of anybody else using it. The barge canal had hardly been completed at that time. The Railway Administration leased some equipment and made contracts for the construction of additional equipment. Some of the new equipment was the fine new steel barges, the fine and expensive self-propelled barges. The Government paid out in all about four and a half million dollars for equipment. The new barges were put on the canal as before stated to help the whole country, as well as the people of New York. The Government did not crowd out any other facilities. There are about 700 canal boats all told, as I understand it. When we passed the transportation act instead of repealing that part of the war control act, we put it under the War Department—the Black Warrior, the Mississippi, the barge canal, and other inland waterways—and the War Department took charge of the equipment as fast as it was completed, but it was not all completed at that time.

Mr. MacGREGOR. Mr. Speaker, will the gentleman yield?

Mr. SIMS. No.

Mr. CLEARY. Mr. Speaker, will the gentleman yield?

Mr. SIMS. No.

Mr. CLEARY. Just a friendly inquiry.

Mr. SIMS. I know it is all friendly.

Mr. CLEARY. I want the truth to come out. The delegation of us came down to see Mr. McAdoo early in the game, when we found that he was making rates it was impossible for individual boats to reach, and he told us the reason he made those rates was because he wanted to make the railroads profitable, he did not want to allow us to carry by water as cheaply.

Mr. SIMS. Yes. While he had charge under war control. We had guaranteed the railroads a certain net return, whether it was made or not, and he made higher rates on the Government boats used on the canal than had before prevailed so that it would not take too much traffic from the railroads to which the Government had to pay certain rental regardless of whether they did business or not, but the equipment did not get in anybody's way, for much of it did not exist.

Mr. BLACK. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. BLACK. I see the resolution provides that in the sale of these boats, if they do not agree upon a price, the Secretary of War shall select one arbitrator—

Mr. SIMS. That has been stricken out.

Mr. BLACK. I thought that was an unwise provision.

Mr. SIMS. That has been stricken out—by neglect, not by any statement on the floor, except that it was not read.

Mr. PARKER. I wish to make the statement that that was done in committee. The gentleman will remember that.

Mr. SIMS. No; this part of it, the printed matter shows. I do not care to quibble about what is in the resolution.

Mr. McCLINTIC. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. McCLINTIC. I notice that the money derived from the sale of these boats is reappropriated and is to be expended in the development of inland and coastwise waters.

Mr. SIMS. I shall come to that after a moment.

Mr. MACGREGOR. Mr. Speaker, will the gentleman yield?

Mr. SIMS. No; I must proceed now until I make my preliminary statement—well, I will yield to the gentleman now.

Mr. MACGREGOR. I merely wanted to find out who slipped the Erie Canal into this transportation act? It was not in it when it passed the House. It got in somewhere along the line.

Mr. SIMS. I do not know who "slipped it in," but it was a burden to the United States Treasury to the extent of \$4,500,000, and now comes this Senate joint resolution, brought up now under a motion to suspend the rules. How does the resolution begin? Does this resolution start out like a resolution or a bill that is intended to protect the public rights as well as private capital and its rights? No. This is the way it reads:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That at the end of 30 days after the passage of this resolution the authority conferred upon the Secretary of War under section 201 of the transportation act, 1920, to operate for commercial purposes boats, barges, tugs, or other transportation facilities upon the New York State Barge Canal shall cease, and thereafter there shall be no such operation by the Secretary of War or any other agency of the United States.

Why does it start out by providing for an embargo on the use of this equipment after 30 days that was paid for by the Government out of the taxes of the people and then provides for a disposition of it afterwards? How does the resolution read, even as amended? The Secretary of War is authorized to "dispose" of the boats, barges, and so forth. The resolution makes no provision as to how this property shall be sold. It is by inference only, and not otherwise, that the property is to be sold but not how; whether by competitive bidding, by public sale, with power in the Secretary of War to accept satisfactory bids and reject unsatisfactory bids and readvertise the property and resell it? He is compelled to "dispose" of it, with no power on earth to reject bids.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. SNYDER. The gentleman knows why that is fixed in that way. It is done because we want to dispose of the boats.

Mr. SIMS. You want it sold without power in the Government, through the Secretary of War, to protect itself against any kind of a grabbing combination of bidders. Why do you want to pass this resolution now? It passed the Senate last May.

Mr. PARKER. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Not for a moment. The hearings were completed on this resolution in May of last year, and the gentleman had all of the time between that time until Congress adjourned to have this resolution considered by the House. You could have brought the resolution up and passed it in the ordinary way. We have been here since the first Monday in December last, and you could have brought this resolution up and passed it in the ordinary way, open to amendment offered on the floor of the House. But no, you come in the last days of this Congress with a motion to suspend the rules and pass this resolution, with such amendments as are in it, by reason of leaving the language of the bill out, which clearly shows its purpose.

Mr. PARKER. Mr. Speaker, will the gentleman yield to one question?

Mr. SIMS. Yes.

Mr. PARKER. Did not the gentleman hold up the reporting of this bill by a no quorum call and delay it for a week?

Mr. SIMS. Not that I have any recollection of. If I did, I do not remember it. When? At the last session?

Mr. PARKER. I mean right within the last three weeks.

Mr. SIMS. In this Congress?

Mr. PARKER. Yes.

Mr. SIMS. The bill was not reported until a few days ago.

Mr. PARKER. I mean in the committee.

Mr. SIMS. Oh, the gentleman is doing something now which the Speaker once made me take my seat for doing, without a point of order, and that is telling what the committee did in executive session.

Mr. PARKER. Oh, I asked a question.

Mr. SIMS. It would be just as well to tell the balance of it.

Mr. PARKER. Oh, I asked a question; I did not make the statement.

Mr. SIMS. I think the gentleman is mistaken; I think it was on the Winslow bill.

Mr. JONES of Texas. Will the gentleman yield?

Mr. SIMS. Let me get through with my preliminary statement and I will answer questions if I have time. Now, why should I be prevented or you from offering amendments to provide that this property shall be sold as all other Government property is usually sold, to the highest and best bidder? Give the Secretary of War the right to accept or reject and readvertise and resell it. But you see the resolution starts by prohibiting the use of these barges after 30 days where they are of most use to the people and will not let them earn anything during the time the "disposal" takes place. Why do you want to do that? The value of this equipment consists in its use, consists in its earnings. Stop the use and earnings while the Government has to pay interest on the investment, and lose the value of its use by operating them until something is done in the way of sale or lease. Now, does that look like dealing fairly with the taxpayers of this country? Investigation after investigation, charge after charge, has been made on this floor that the administration has sold Government property at sacrificial prices. Is Congress going to approve such a course, such a proceeding by ordering the use of these vessels stopped? If you want to dispose of vessels owned by the Shipping Board, would you pass a resolution to stop operating those vessels until the disposition of them is made? If you do you would do great damage not only to the vessels but cause a great loss to the taxpayer and everybody else who has any property interest affected.

Mr. JONES of Texas. Will the gentleman yield now?

Mr. SIMS. I will.

Mr. JONES of Texas. I would like to know for information whether the fact railroads are granted water-competition rate has anything to do with this loss of money on these ship canals?

Mr. SIMS. The reason they lost was that it was a primary undertaking and business had to be built up and established.

Mr. JONES of Texas. But the gentleman is not answering my question.

Mr. SIMS. What is the question. I did not catch it.

Mr. HARDY of Texas. Will the gentleman yield for just one question?

Mr. SIMS. I will.

Mr. HARDY of Texas. On the first page of this joint resolution it seems that at the end of 30 days the Government can no longer use its own vessels.

Mr. SIMS. Can not operate them at all; I just stated that fact.

Mr. HARDY of Texas. Will not that leave the Government like a man with a horse eating his head off for the vessel to stand there idle and force their sale for a song?

Mr. SIMS. Yes; and at any price at which they might bid 75 per cent of these vessels must be sold, and it does not say 75 per cent of the tonnage or the number of barges, and so forth, to be sold. Are you going to sell these fine, expensive steel barges and self-propelled barges under such conditions as these before the Government has hardly got them paid for? The language is nebulous and uncertain. This is the last bill on earth that we ought to pass under a suspension of the rules. What will happen? It must go back to the Senate and go to conference, and in conference, if the Senate is still in favor of its bad bill—the bill is somewhat improved by the amendments offered, but if the Senate will not agree to these amendments then in the last days of this session it will be said that the people of New York are suffering to have these vessels sold, and they will bring in a conference report with possibly not one of these amendments in it and they will move to agree to the conference report, which only requires a majority vote with a quorum present to adopt it. Why not provide for the sale of this property like any other Government property, to the highest and best bidder, with discretion in the Government officers to reject all bids if not satisfactory and readvertise and resell, and let the vessels continue to be operated until they are finally disposed of? Now, if you are fair-minded men, you will think of the poor taxpayer, when it takes twice the amount of his labor, twice the amount of his products, to pay the same amount of taxes that it did when these barges were acquired or constructed. Why should we do this if not to get these boats out of competition with the New York Central Railroad?

Mr. PARKER. Oh, no.

Mr. SIMS. That is the effect it will have. But when you stop operation in 30 days, do not tell me anybody but the New York Central Railroad will be benefited by it.

Mr. PARKER. The canal has been frozen up for two months, and will be for two months more.

Mr. SIMS. Then why be in such a break-neck hurry to pass this bill if you can not use the canal for two months? Why not give the next Congress an opportunity to act, without a motion to suspend the rules?

Mr. CLEARY. Will the gentleman allow me to answer the question?

Mr. SIMS. I want the other gentleman from New York [Mr. PARKER] to answer the question; he is in charge of the bill. Now, I have no prejudice in this matter. Let us do in this case just what we always have done in a disposal of public property, make such provisions of sale as will have the effect of getting the best price, because the taxpayer loses by the amount we fail to get out of this sale.

Mr. CLEARY. Will the gentleman yield to me five minutes of time?

Mr. SIMS. Not to favor the bill, of course.

Mr. CLEARY. There are so many things to explain.

Mr. SIMS. There is great need of explanation, as the gentleman from New York has said, more than I ever saw with any other bill in my life of the same length. The way to explain the bill is to look at the effect of it. The effect is to stop these vessels from operating in 30 days and then dispose of them at leisure.

The gentleman from New York made a statement, but it does not explain the situation fully, about the Black Warrior River and the Mississippi River. The Mississippi from St. Louis to New Orleans has 14 feet depth of water nearly all the year. He did not explain that these small boats can be used in a tow and moved by a tug, and especially in doing business from landing to landing. The Black Warrior is a shallow stream, and the broader the vessel there the better. Four and one-half or five millions of dollars' worth of vessels are to be sold under this resolution, with no discretion, no right, in the Secretary of War to refuse any bid.

Mr. PARKER. Mr. Speaker, I yield two minutes to the gentleman from North Carolina [Mr. SMALL].

Mr. SMALL. Mr. Speaker, this bill as it passed the Senate was subject to some objections, in that it did not protect the Government. In my judgment, the bill as amended removes these objections and ought to be passed.

Substantially this may be said about the subject of this legislation: Under section 500 of the railroad control act the President was authorized to build and operate barges upon inland waterways of the country. Barges and tugs were constructed for operation on the Erie Canal, as well as other inland waters. That activity was transferred in the transportation act of 1920 to the War Department. The people of the State of New York now wish the War Department to discontinue operation of boats on the canal. I think their wishes ought to be respected if the Government can be protected in doing so, and in my judgment this bill does protect the Government. The bill as passed by the Senate was unsatisfactory in that it gave the New York canal people a first opportunity to purchase these boats. This throws their purchase open to the public everywhere, and if the Secretary of War and the purchasers can not agree it provides that the price may be fixed by arbitration.

Mr. DEWALT. That is stricken out.

Mr. SMALL. That is stricken out, but it protects the Government to the extent that it gives an open field for the purchase of these boats. Only three-fourths of the boats may be sold, and the others operated wherever the War Department may deem desirable. I think the bill as a whole protects the Government and meets the wishes of the people of New York, and their wishes ought to be respected. [Applause.]

Mr. PARKER. Mr. Speaker, I yield two minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER. Mr. Speaker, I fully concur in the opinion expressed by the gentleman from North Carolina [Mr. SMALL] that the bill, as now amended, protects the interests of the Government and should pass. Unquestionably, it is not the policy of the Government to continue indefinitely the operation of boats on the inland waterways. The State of New York, speaking through the Representatives of that State, is opposed to the Government longer operating them on the canal, and this simply provides that after 30 days these boats shall be sold, and if they can not be sold to advantage the Government may lease them. And it provides that one-fourth of them can be retained by the Government for use on other streams. The proof shows that these boats were not designed either for the Mississippi or the Black Warrior Rivers. There was a naval architect who specially designed the boats for the Mississippi, giving to them a 600 horsepower; likewise, the boats for the Warrior, with lighter draft than those constructed for the New York State

Barge Canal. It is my information that these boats can not be economically used on either of these streams, and I think it is to the advantage of the Government to dispose of the boats, since the State of New York desires they should be no longer used on the canal owned by the State. I hope the resolution as amended will pass. [Applause.]

Mr. PARKER. Mr. Speaker, I yield two minutes to the gentleman from Louisiana [Mr. DUPRÉ].

Mr. DUPRÉ. Mr. Speaker, when this resolution was before the Committee on Interstate and Foreign Commerce last May for consideration I appeared before that committee and voiced my own opposition to the resolution and registered the protest of the various commercial exchanges of the city of New Orleans, the State of Louisiana, and the Mississippi Valley generally. I stated at the time I had no objection to the primary object of the resolution, which was to return the New York Barge Canal to the control of the people of the State of New York, who had built that canal at tremendous expense. My objection was leveled at certain details in regard to the disposal of the equipment on the canal, which had been constructed by the Government at the expense of the taxpayers throughout the whole country. The two amendments that have been brought in here from the committee, and which I understand from the gentleman from New York [Mr. PARKER] are expressly included in his motion to suspend the rules and pass the bill, take away the objection I had. I hope this measure will pass the House. After all, the people of New York built that canal. It was all right for the Government to take it over during the time of emergency and exigency, but the emergency and exigency have passed away. The people of New York want the canal back, and the legislature of that State, as I recall, has memorialized the Congress to return it. And I think that Congress ought to heed their wishes, believing that the interests of the Government are properly safeguarded through the amendments that have been submitted by the committee.

Mr. PARKER. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. DEMPSEY].

The SPEAKER. The gentleman from New York is recognized for two minutes.

Mr. DEMPSEY. Mr. Speaker, the gentleman from Tennessee [Mr. SIMS] says that this bill is defective in two respects. He says, first, that this bill does not prescribe notice. The question of notice is intrusted to the Secretary of War, and he is invested with discretion as to how to sell and when to sell; and if he can not sell, then he is given the right to lease, so that you dispose of that question in that way.

Next, he says that during the time we are trying to sell the barges they are tied up and can not be used. The Secretary of War can not operate them, but he can not operate them anyway on account of weather conditions from now until May; and if he is unable to sell them by that time, he has the absolute right to lease. So there can be no objection on either ground submitted by the gentleman from Tennessee.

The State of New York has built the canal at an expense of \$200,000,000. There should be 5,000 boats on that canal. As a matter of fact there are on it only 90 modern barges. You can not get private capital to invest in and build barges when the Government runs its barges at a loss, and it has run them at a loss for two years of over \$100,000 each year. The instant that the Government ceases to operate barges upon the canal, that instant private capital is ready to place upon the canal the number of barges needed there to carry the grain and the other traffic from the West.

And what becomes of the money? The money that is resultant from the sale of these boats is to be used for your operations upon the Mississippi and upon the Black Warrior. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PARKER. Will the gentleman from Tennessee use his remaining one minute?

Mr. SIMS. Is there only one more speech on that side?

Mr. PARKER. Yes.

The SPEAKER. The gentleman from Tennessee is recognized for one minute.

Mr. SIMS. I again call attention to the fact that the Government never took over the canal for one hour. The testimony that was given by the gentleman from New York, Mr. Walsh, shows that there are about 700 canal boats of all kinds.

Mr. DEMPSEY. There is not a single barge designed for use on a canal of 12 feet. They are old-fashioned boats, intended to be run on a shallow canal.

Mr. SIMS. But they can be used in the canal even if not originally designed for such use.

Mr. PARKER. Mr. Speaker, I yield one minute to the gentleman from Wisconsin [Mr. ESCH].

The SPEAKER. The gentleman from Wisconsin is recognized for one minute.

Mr. ESCH. Mr. Speaker, this bill is an improvement on the Senate bill. It provides that three-fourths of the boats shall be disposed of, and one-fourth to be placed elsewhere by the War Department. We believe, in view of the operations in 1919, with a deficit of \$166,000, and in view of the deficit in 1920, when it was \$128,000, with three of the lean months of the year not yet accounted for, that it is a wise thing for the Government to dispose of this property and turn it over to private interests. [Applause.]

The SPEAKER. The time of the gentleman from Wisconsin has expired. The question is whether the House will suspend the rules and pass the bill.

Mr. BRIGGS. Mr. Speaker, may we have the amendments that were reported with this bill read?

The SPEAKER. The amendments were not reported separately. Does the gentleman wish the whole bill to be reported again?

Mr. BRIGGS. I would like to have the amendments again reported.

The SPEAKER. Without objection, the bill as reported will be again reported.

The bill with the amendments incorporated therein was again read.

Mr. PARKER. Mr. Speaker, I wish to make a correction on line 1, page 2. The Clerk made a mistake in reading, because the words "as soon" were not stricken out. I ask unanimous consent that he may read that section again.

The SPEAKER. That is the way it was read originally. The Clerk will read.

The Clerk read as follows:

The Secretary of War shall, as soon as practicable, dispose of boats, barges, tugs, etc.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill?

The question was taken.

The SPEAKER. In the opinion of the Chair, two-thirds having voted in the affirmative—

Mr. SIMS. Mr. Speaker, I ask for a division.

The SPEAKER. A division is demanded.

The question was again taken.

The SPEAKER. On this vote the ayes are 147.

Mr. SIMS. Mr. Speaker, I intended to call for the yeas and nays.

The SPEAKER. The Chair misunderstood the gentleman.

Mr. HUDDLESTON. Mr. Speaker, pending that, I make the point of order that a quorum of the House is not present.

The SPEAKER. The Chair thinks there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. As many as are in favor of suspending the rules and passing the resolution will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 273, nays 16, not voting 139, as follows:

YEAS—273.

Ackerman	Cantrill	Esch	Hawley
Almon	Caraway	Evans, Mont.	Hayden
Anderson	Carew	Evans, Nebr.	Hernandez
Andrews, Nebr.	Carter	Fairfield	Hersey
Anthony	Chindblom	Fess	Hersman
Ashbrook	Christopherson	Fields	Hickey
Aswell	Cleary	Fish	Hicks
Ayres	Coady	Fisher	Hoch
Babka	Cole	Flood	Hoey
Barbour	Collier	Focht	Holland
Barkley	Connally	Foster	Houghton
Bee	Cooper	Frear	Howard
Begg	Crago	Freeman	Hudspeth
Benham	Crisp	French	Hull, Iowa
Benson	Crowther	Fuller	Hull, Tenn.
Bland, Va.	Cullen	Gallivan	Humphreys
Boles	Currie, Mich.	Gard	Husted
Bowers	Dale	Garrett	Igoe
Bowling	Dallinger	Glynn	Ireland
Box	Darrow	Goldfogle	Jacoway
Brand	Davis, Minn.	Good	James, Va.
Briggs	Dempsey	Goodykoontz	Johnson, Ky.
Brinson	Denison	Gould	Johnson, S. Dak.
Brooks, Ill.	Dewalt	Graham, Ill.	Jones, Pa.
Browne	Dickinson, Iowa	Green, Iowa	Jones, Tex.
Buchanan	Dickinson, Mo.	Greene, Mass.	Keams
Burroughs	Dominick	Greene, Vt.	Kelly, Pa.
Butler	Dowell	Griest	Kendall
Byrnes, S. C.	Drewry	Griffin	Kettner
Byrnes, Tenn.	Dupré	Hadley	Kless
Caldwell	Dyer	Hardy, Colo.	King
Campbell, Kans.	Echols	Hastings	Kinkaid
Campbell, Pa.	Elliott	Haugen	Kleczka

Knutson	Montague	Reed, N. Y.	Taylor, Tenn.
Kraus	Moore, Ohio	Rhodes	Temple
Langley	Moore, Va.	Ricketts	Thompson
Lanham	Moore, Ind.	Robinson, N. C.	Tillman
Lankford	Mott	Robison, Ky.	Tilson
Larsen	Murphy	Rose	Timberlake
Lazaro	Nelson, Wis.	Rowe	Tinkham
Lee, Calif.	Newton, Mo.	Sabath	Treadway
Lee, Ga.	Nolan	Sanders, Ind.	Upshaw
Leibach	O'Connell	Sanders, La.	Valle
Linthicum	O'Connor	Sanders, N. Y.	Venable
Little	Ogden	Sanford	Volstead
Longworth	Oldfield	Schall	Walsh
Luce	Oliver	Sherwood	Walters
Lufkin	Olney	Shreve	Ward
McAndrews	Osborne	Siegel	Wason
McClintic	Overstreet	Sinnott	Watkins
McDuffie	Paige	Sisson	Watson
McFadden	Park	Smith, Idaho	Weaver
McKenzie	Parker	Smith, Ill.	Whaley
McLaughlin, Mich.	Parrish	Smith, Mich.	White, Kans.
McLaughlin, Nebr.	Patterson	Snell	White, Me.
McLeod	Pell	Snyder	Williams
McPherson	Peters	Stegall	Wilson, Ill.
MacGregor	Phelan	Stedman	Wilson, La.
Madden	Pou	Steele	Winslow
Magee	Purnell	Stevens, Ohio	Wood, Ind.
Mann, Ill.	Quinn	Stevenson	Woods, Va.
Mapes	Radcliffe	Strong, Kans.	Woodyard
Martin	Rafney, Henry T.	Strong, Pa.	Wright
Mays	Raker	Summers, Wash.	Young, N. Dak.
Merritt	Ramsey	Summers, Tex.	Young, Tex.
Michener	Randall, Wis.	Sweet	Zihlman
Miller	Ransley	Swindall	
Milligan	Rayburn	Tague	
Minahan, N. J.	Reber	Taylor, Ark.	

NAYS—16.

Black	Hardy, Tex.	Kincheloe	Sims
Blanton	Huddleston	Nelson, Mo.	Smithwick
Cars	Johnson, Miss.	Romjue	Welling
Davis, Tenn.	Keller	Rouse	Wingo

NOT VOTING—139.

Andrews, Md.	Elston	Lowergan	Rodenberg
Bacharach	Emerson	Luhning	Rogers
Baer	Evans, Nev.	McArthur	Rowan
Bankhead	Ferris	McCulloch	Rubey
Bell	Fordney	McClennon	Rucker
Bland, Ind.	Gallagher	McKeown	Scott
Bland, Mo.	Gandy	McKiniry	Scully
Britten	Ganly	McKinley	Sears
Brooks, Pa.	Garner	McLane	Sells
Brumbaugh	Godwin, N. C.	Maher	Sinclair
Burdick	Goodall	Major	Slemp
Burke	Goodwin, Ark.	Mann, S. C.	Small
Candler	Graham, Pa.	Mansfield	Smith, N. Y.
Cannon	Hamill	Mason	Steenerson
Casey	Hamilton	Mead	Stephens, Miss.
Clark, Fla.	Harrel	Monahan, Wis.	Stiness
Clark, Mo.	Harrison	Mondell	Stoll
Classon	Hays	Moon	Sullivan
Copley	Hill	Mooney	Swope
Costello	Hullings	Morin	Taylor, Colo.
Cramton	Hutchinson	Mudd	Thomas
Curry, Calif.	James, Mich.	Neely	Tincher
Davey	Jefferis	Newton, Minn.	Towner
Dent	Johnson, Wash.	Nicholls	Vare
Donovan	Johnston, N. Y.	Padgett	Vestal
Dooling	Juul	Perlman	Vinson
Doremus	Kahn	Porter	Voigt
Doughton	Kelley, Mich.	Rainey, Ala.	Volk
Drane	Kennedy, Iowa	Rainey, John W.	Webster
Dunbar	Kennedy, R. I.	Ramseyer	Welty
Dunn	Kitchin	Randall, Calif.	Wheeler
Eagan	Kreider	Reavis	Wilson, Pa.
Eagle	Lampert	Reed, W. Va.	Wise
Edmonds	Layton	Riddick	Yates
Ellsworth	Leshner	Riordan	

So, two-thirds having voted in the affirmative, the rules were suspended and the joint resolution passed.

The Clerk announced the following additional pairs:

Mr. MONDELL with Mr. TAYLOR of Colorado.

Mr. TOWNER with Mr. SMALL.

Mr. MCKINLEY with Mr. DRANE.

Mr. RODENBERG with Mr. WELTY.

Mr. BLAND of Indiana with Mr. MANSFIELD.

Mr. MCARTHUR with Mr. JOHNSTON of New York.

Mr. ROGERS with Mr. McKEOWN.

Mr. RAMSEYER with Mr. STEPHENS of Mississippi.

Mr. YATES with Mr. NICHOLLS.

Mr. HAYS with Mr. BRUMBAUGH.

Mr. STEENERSON with Mr. MAHER.

Mr. JOHNSON of Washington with Mr. EAGLE.

Mr. LAMPERT with Mr. ROWAN.

Mr. SINCLAIR with Mr. WILSON of Pennsylvania.

Mr. SCOTT with Mr. MANN of South Carolina.

Mr. JEFFERIS with Mr. CANDLER.

Mr. VOIGT with Mr. LONERGAN.

Mr. REED of West Virginia with Mr. VINSON.

Mr. STINESS with Mr. MEAD.

Mr. LUHRING with Mr. SCULLY.

Mr. TINCHER with Mr. MAJOR.

Mr. RIDDICK with Mr. PADGETT.

Mr. MONAHAN of Wisconsin with Mr. McLANE.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will unlock the doors. Two-thirds having voted in the affirmative the joint resolution is passed.

APPLICATIONS FOR LETTERS PATENT.

Mr. NOLAN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 15662) to extend temporarily the time for filing applications for letters patent, for taking actions in the United States Patent Office with respect thereto, for the reviving and reinstatement of applications for letters patent, and for other purposes, which I now send to the Clerk's desk.

The SPEAKER. The gentleman from California moves to suspend the rules and pass the bill which the Clerk will report. The Clerk read the bill, as follows:

Be it enacted, etc., That the rights of priority provided by section 4887 of the Revised Statutes, for the filing of applications for patent for inventions and designs, which rights had not expired on the 1st day of August, 1914, or which rights have arisen since the 1st day of August, 1914, shall be, and the same are hereby, extended until the expiration of a period of six months from the passage of this act in favor of the citizens of the United States or citizens or subjects of all countries which have extended, or which now extend, or which within said period of six months shall extend substantially reciprocal privileges to citizens of the United States, and such extension shall apply to applications upon which patents have been granted, as well as to applications now pending or filed within the period herein: *Provided*, That such extension shall in no way furnish a basis of claim against the Government of the United States: *Provided further*, That such extension shall in no way affect the right of any citizen of the United States, who, before the passage of this act, was bona fide in possession of any rights in patents or applications for patent conflicting with rights in patents granted or validated by reason of such extension, to exercise such rights by itself or himself personally, or by such agents, or licensees, as derived their rights from it, or him, before the passage of this act, and such persons shall not be amenable to any action for infringement of any patent granted or validated by reason of such extension.

A patent shall not be refused on an application coming within the provisions of this act, nor shall a patent granted on such application be held invalid by reason of the invention having been patented or described in any printed publication or in public use or on sale in the United States prior to the filing of the application, unless such patent or publication or such public use or sale was prior to the filing of the foreign application upon which the right of priority is based.

Sec. 2. That the time now fixed by law for the payment of any fee or for the taking of any action with respect to an application for patent, which time had not expired on August 1, 1914, or which commenced after August 1, 1914, is hereby extended until the expiration of one year from the passage of this act, without the payment of extension fees or other penalty in favor of the citizens or subjects of countries which have extended, now extend, or shall extend during a period of one year from the passage of this act substantially reciprocal privileges to citizens of the United States, provided that no extension herein shall confer such privileges on the citizens or subjects of a foreign country for a longer term than the term during which such privileges are conferred by such foreign country on the citizens of the United States, but nothing in this act shall give any right to reopen interference proceedings where final hearing before the examiner of interferences has taken place.

Sec. 3. That no patent granted or validated by reason of the extensions provided for in sections 1 and 2 of this act shall abridge or otherwise affect the right of any citizen of the United States, or his agent or agents, or his successor in business, to continue any manufacture, use, or sale commenced before the passage of this act by such citizen, nor shall the continued manufacture, use, or sale by such citizen, or the use or sale of the devices resulting from such manufacture or use, constitute an infringement.

Sec. 4. That all applications for patent filed since August 1, 1914, and prior to June 15, 1920, which were executed by an agent of the applicant, and in which a petition, specification, and oath, signed by the inventor, or his executor or administrator, had been filed or shall have been filed within a period of one year from the passage of this act, and the patents granted on such applications, shall have the same force and effect as if the papers signed by the inventor, or his executor or administrator, had been filed on the date on which the papers signed by the agent were filed.

Sec. 5. That all applications for patent filed since August 1, 1914, in which the oath was executed before or authenticated by a consular officer, or other representative qualified to administer oaths, of a Government acting in the interest of the Government of the United States, shall have the same force and effect as if said oath had been executed by the applicant before a consular officer of the United States.

Sec. 6. That where an invention was made by a person while serving abroad, during the war, with the forces of the United States, civil or military, the inventor thereof shall be entitled, in interference and other proceedings arising in connection with such invention, to the same rights of priority with respect of such invention as if the same had been made in the United States, and where an application became abandoned or forfeited, during the time the applicant was serving with the forces of the United States, by reason of his failure to take action or pay a fee within the time now required by law, such action may be taken, or the fee paid, within six months from the passage of this act.

Sec. 7. That no claim shall be made or action brought in respect of the use since August 1, 1914, up to the passage of this act, by the Government of the United States, or by any persons acting on behalf of, or under contract with, or with the assent of the Government of the United States or of Governments or their representatives associated with the United States, under any patent rights owned in whole or in part since August 1, 1914, by an alien enemy, nor in respect of the use of any process during such period, or the sale, offering for sale, or use, at any time, of any products, articles, or apparatus whatsoever manufactured during such period to which such patent rights applied.

Sec. 8. That nothing in this act shall affect any act done by virtue of the special measures taken during the war under legislative, execu-

tive, or administrative authority of the United States in regard to the rights of an enemy, or ally of an enemy, as defined by the trading with the enemy act of October 6, 1917, in patents for inventions and designs.

The SPEAKER. Is a second demanded?

Mr. CAMPBELL of Pennsylvania. Mr. Speaker, I demand a second.

Mr. GARD and Mr. CALDWELL rose.

The SPEAKER. Is any gentleman asking for recognition opposed to the bill?

Mr. CAMPBELL of Pennsylvania. I am on the Committee on Patents. I do not oppose the bill.

The SPEAKER. The Chair thinks he ought to recognize a member of the committee. The gentleman from Pennsylvania demands a second.

Mr. NOLAN. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from California asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from California [Mr. NOLAN] has 20 minutes and the gentleman from Pennsylvania [Mr. CAMPBELL] has 20 minutes.

Mr. NOLAN. Mr. Speaker, this bill, H. R. 15662, is a committee substitute for a bill which was recommended by the Commissioner of Patents, Mr. Newton, which was introduced in April of last year, H. R. 13681. As the title states, this bill is to extend temporarily the time for filing applications for letters patent, for taking actions in the United States Patent Office with respect thereto, for the reviving and reinstatement of applications for letters patent, and for other purposes.

Briefly, this bill is designed to meet a situation that results from nonratification of the peace treaty. Hearings were held on this measure, at which a large number of inventors and representatives of great industrial establishments in this country appeared and stated that unless a measure of this kind was passed prior to March 31 of this year inventors of this country and industrial establishments would lose rights that lapsed due to a condition that existed during the war, from August, 1914, to the present date. If the measure is passed it will give inventors whose rights have lapsed an opportunity prior to March 31 to take advantage of the Berne convention and revive those patent rights, providing other countries coming under the provisions of it give inventors in this country reciprocal rights. The statement was made by the then Commissioner of Patents, Mr. Newton, and the former Commissioner of Patents, Mr. Whitehead, that there are four or five Americans who have rights that are lapsed to one of those of foreign countries.

Early in this Congress somewhat similar legislation was enacted in relation to copyrights. This is considered very important, because if this Congress should adjourn and no legislation be enacted prior to March 31 of this year it would be impossible, except through special treaties or special agreement with each individual country, to take advantage of this situation and get for the inventors of our Nation the rights that are granted to the signatories of the Berne convention. Briefly, that is the purpose of this legislation. It is very important that it should be enacted into law, and that is the reason why we are asking the House to suspend the rules and pass this bill.

I yield five minutes to the gentleman from Connecticut [Mr. MERRITT].

Mr. MERRITT. Mr. Speaker, I fully agree with the chairman of the committee [Mr. NOLAN] that this bill is a matter of very great importance to American inventors and business men.

Those of you who are familiar with patents know that a very important section of our patent law is what is called the right of priority. It is equally as important for Americans as it is for foreigners, because if an inventor wants to patent an article in the various countries of the world he has got to have a chance to get all his applications filed all around the world before he takes out his American patent, or else he is apt to invalidate his own American patent. That is called the right of priority, and, in brief, it is that when you file a patent in a foreign country you have a year within which to perfect your American patent, and that year is called the year of priority.

When the war came on it was impossible to get in touch with the patent offices, not alone of those nations which were at war but almost all the nations of the world. In fact, it disrupted all the patent systems of all civilized nations.

The object of this bill and of the Berne convention is practically to remove the disabilities to which inventors were subjected in consequence of the war. It is very much more important for Americans than it is for other people that this legisla-

tion be passed, for the reason that American inventors are more active than those of any other country. They take out patents all around the world, and if we do not extend this privilege to the nationals of other countries we shall not get it extended to our nationals.

I think this is a bill concerning which there can not be two opinions. All the officials of the Patent Office, all the manufacturers who have appeared before the committee, were in favor of it. You will find if you look at the bill that it safeguards all the rights that have been taken by the United States in foreign patents, all the rights of the citizens that have acquired interest in foreign patents, so that the bill is one solely for the protection and not of any danger to any American. I shall be glad to answer any questions; but I think that, so far as the argument goes, there is nothing to be said against the bill, and I hope the bill will pass.

Mr. NOLAN. Mr. Speaker, I yield 10 minutes to the gentleman from Tennessee.

Mr. DAVIS of Tennessee. Mr. Speaker and gentlemen, this bill is a very meritorious measure and very urgent, in the opinion of the Patent Committee. We held hearings, and about a dozen different gentlemen, including the Commissioner of Patents, the former commissioner, and the chairman of the committee on laws of the American Patent Bar Association, appeared before the committee and urged the passage of the bill. No opposition developed. The committee unanimously reported out the bill, and no opposition has developed since that time.

The bill reads as if it is in the interest of foreign inventors, and yet the purpose of the bill is to protect the interests of American inventors and manufacturers. In order to do that, however, it is necessary for the Congress to enact this bill granting these rights in order that we may obtain reciprocal rights from foreign countries. As explained by the chairman of the committee, this situation has grown out of war conditions during which foreign inventors in many instances did not take out patents on their own inventions in the United States, and innumerable American inventors failed to take out patents in foreign countries within the time limit. Furthermore, many foreign countries have an annual or biennial or quadrennial license system, and license fees have to be paid in order to keep the patents alive. Many American inventors and manufacturers did not keep alive their inventions in foreign countries. Since the war some of the foreign countries, notably Great Britain, for a time extended protection to the American inventors upon the belief that reciprocal rights would be granted, but as such a long time has elapsed without the United States granting reciprocal rights, practically all the countries have ceased granting extensions. The result is that thousands of American patents are in a precarious condition so far as protection in foreign countries is concerned. This legislation is vitally important and urgent, for the reason that the Berne convention meets March 31, and it is important for us to pass this legislation prior to that time in order to acquire these rights for America. If we do not do it before Congress adjourns it will be too late.

Mr. TILSON. Will the gentleman yield?

Mr. DAVIS of Tennessee. I will.

Mr. TILSON. If this bill is passed now, will the inventors of America benefit immediately under the Berne convention?

Mr. DAVIS of Tennessee. In some particulars they will; but most of the foreign countries have already made provision to grant like protection to American patents in consideration of reciprocal rights.

Mr. TILSON. This is to complete the reciprocity?

Mr. DAVIS of Tennessee. This completes the reciprocity. A reading of the bill will show that the American rights are not granted except upon reciprocal rights granted by foreign countries.

I wish to call your attention to the further fact that this bill expressly provides that if an American manufacturer has been in actual possession and manufacture of a foreign invention for the period of a year or more, they are still protected, not only for the past use of the invention but in the future use thereof, because they have acquired possessive rights, and this bill does not take them away.

Mr. MILLER. In what way does the Berne convention change the status of the American inventor in foreign patent rights other than in those countries with which we are at war?

Mr. DAVIS of Tennessee. The Berne convention is composed of nearly all the European countries as well as other countries in the world. They operate very largely through this convention, and it grants reciprocal rights to those nations that enact legislation of a like character with regard to patents. We can get the right in any of these foreign countries for our inventors as soon as we grant them like rights.

Mr. BARKLEY. Will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. BARKLEY. This bill simply carries out the provisions of the Versailles treaty?

Mr. DAVIS of Tennessee. Yes.

Mr. BARKLEY. If that treaty had been ratified, it would not have been necessary for Congress to take up the time in passing this bill?

Mr. DAVIS of Tennessee. The situation would have been very much simplified.

Mr. NOLAN. Mr. Speaker, I will state to the gentleman from Kentucky that this is ratifying the peace treaty.

Mr. BARKLEY. By piecemeal?

Mr. NOLAN. No; in a more perfect form.

Mr. MERRITT. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. DAVIS of Tennessee. Yes.

Mr. MERRITT. Is it not true that under administrative acts some countries—Great Britain, for instance—have granted our inventors rights upon the theory that we would enact this legislation, and if we do not they will take those rights away, so that men who think they have certain rights in Great Britain now will not have them?

Mr. DAVIS of Tennessee. That is true. I wish to further call the attention of the House to section 6 of the bill, which protects inventions which may have been made by members of the United States forces while in foreign service, during the war, and did not have the opportunity to take out or follow up their inventions within the time allowed by the present law.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. McLAUGHLIN of Michigan. The gentleman is referring to section 6?

Mr. DAVIS of Tennessee. Yes.

Mr. McLAUGHLIN of Michigan. To what war does section 6 refer?

Mr. DAVIS of Tennessee. It refers to the World War.

Mr. McLAUGHLIN of Michigan. Other sections of the act speak of August 1, 1914, and so forth, and section 7 speaks about alien enemies, and so on?

Mr. DAVIS of Tennessee. Yes.

Mr. McLAUGHLIN of Michigan. So that we may infer that it is the recent war that is intended?

Mr. DAVIS of Tennessee. Yes.

Mr. McLAUGHLIN of Michigan. It is the only place in the bill where the word "war" is mentioned, and it would seem to me, to make it entirely clear, there should be words of designation of the recent World War.

Mr. DAVIS of Tennessee. Perhaps that criticism is well taken, but I think section 7 and section 8, as well as the preceding sections, show that what is intended is the World War. In that connection I call attention to the fact that sections 7 and 8 expressly protect the Government of the United States against any claims or suits which might grow out of the use by the Government during the war of any foreign inventions or patents.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. NOLAN. Mr. Speaker, if no one desires to oppose the bill, I ask for a vote.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and, in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

TRADING WITH THE ENEMY.

Mr. MERRITT. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4897) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended, which I send to the desk and ask to have read.

The Clerk read as follows:

Be it enacted, etc., That subdivisions (2) and (3) of subsection (b) of section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended, be, and hereby are, amended so as to read as follows:

"(2) A woman who, at the time of her marriage, was a subject or citizen of a nation which has remained neutral in the war, or of a nation which was associated with the United States in the prosecution of said war, and who, prior to April 6, 1917, intermarried with a subject or citizen of Germany or Austria-Hungary and that the money or other property concerned was not acquired by such woman, either directly or indirectly, from any subject or citizen of Germany or Austria-Hungary subsequent to January 1, 1917.

"(3) A woman who, at the time of her marriage, was a citizen of the United States and who, prior to April 6, 1917, intermarried with a subject or citizen of Germany or Austria-Hungary, and that the money

or other property concerned was not acquired by such woman, either directly or indirectly, from any subject or citizen of Germany or Austria-Hungary subsequent to January 1, 1917."

The SPEAKER. Is a second demanded?

Mr. GARD. Mr. Speaker, I demand a second.

Mr. MERRITT. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Connecticut is entitled to 20 minutes and the gentleman from Ohio to 20 minutes.

Mr. MERRITT. Mr. Speaker, this bill is intended to correct certain errors which have been found to exist in the amendment to the trading-with-the-enemy act, which was passed in June of last year. It has to do with the return of property belonging to American women who married enemy aliens. The amendment of June 5, 1920, provided as follows:

A woman who at the time of her marriage was a citizen of the United States (said citizenship having been acquired by birth in the United States), and who prior to April 6, 1917, intermarried with a subject or citizen of Germany or Austria-Hungary, and that the money or other property concerned was not acquired by such woman either directly or indirectly from any subject or citizen of Germany or Austria-Hungary.

It was found, as testified to by Mr. Garvan, the Alien Property Custodian, and concurred in by the Attorney General, as will be seen by letters in the report, that this worked a hardship. The Attorney General says:

A case was presented under this amendment in which the evidence disclosed the fact that the claimant was born an American citizen in Paris, and this department following the act felt that such claim was not covered by the above provisions, and the claim was accordingly disallowed. This feature was the only part of the evidence, which was incomplete.

The custodian, while recognizing that such a claimant did not come within the act, believed that such a case was one which Congress would have included had it been presented prior to the enactment of the amendment, and accordingly submitted to you the amendment which was introduced by you on December 16, 1920.

It now appears that there are certain other claims whose general nature is almost identical with those above referred to which arise by a slightly different set of facts, as the following: A claim has been filed by a woman who was born in Canada and married an American citizen. Her husband died leaving her considerable property, and she subsequently married a German citizen. All of this occurred prior to our entry into the war.

Now, notwithstanding the fact that had she remained in Canada and married a German, or had she been born in the United States and married a German she would have been eligible as a claimant, yet as she was born in Canada and changed her citizenship by marriage to an American citizen, and then marrying a German, she was neither a British subject at the time of her marriage as is required by subdivision 2 of subsection b of section 9, nor was she an American citizen whose American citizenship was acquired at the time of birth, and accordingly she would not be eligible as a claimant under the provisions of subdivisions 2 and 3 of the amended subdivision 3 (as amended by your bill of December 16, 1920).

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. MONDELL. The only change in the law, as I understand it, by the bill before the House is that it brings within the purview of the law women who are American citizens, whereas at the present time they are only recognized under the law if they are native-born citizens.

Mr. MERRITT. That is true. One case occurred where a daughter was born to diplomats in a foreign country. She afterwards married a German and was ruled out under the law as not being American born. This bill is favored by all of the Government officials, and it is simply an effort to correct an error in an amendment already passed and in favor of American citizens.

Mr. BARKLEY. This bill is indorsed by the Alien Property Custodian.

Mr. MERRITT. Yes; and by the Attorney General.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and, in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

NATIONAL HOME FOR DISABLED VOLUNTEERS.

Mr. FIELDS. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to address the House for three minutes. Is there objection?

Mr. McCLINTIC. Mr. Speaker, reserving the right to object, upon what subject?

Mr. FIELDS. To fill a vacancy on the Board of Managers for the National Soldiers' Home.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. FIELDS. Mr. Speaker, there is a vacancy on the Board of Managers of the National Soldiers' Home. The Committee on

Military Affairs has reported House joint resolution 465, which is now upon the Unanimous Consent Calendar, which provides for the appointment of Capt. W. S. Albright, of Fort Leavenworth, Kans., to fill the vacancy. Mr. Wadsworth, a member of the Board of Managers and a former Member of this House, was here a few days ago and stated to me that it was the desire of the board to make its annual inspection trip, in fact, that it should be making the inspection now, but they were awaiting the action of Congress in filling this vacancy, because it was desirable that the new member be with the board in making its annual inspection. In view of the necessity for early action in filling this vacancy, it is my desire to move to suspend the rules and pass the bill, in the hope that a second will not be demanded. If a second is demanded, because of other business before the House, I shall withdraw my motion; but I sincerely hope that a second will not be demanded. Mr. Speaker, I move to suspend the rules and pass House joint resolution 465.

The SPEAKER. The gentleman from Kentucky moves to suspend the rules and pass the joint resolution which the Clerk will report.

Mr. BUTLER. Is it a unanimous report?

Mr. FIELDS. It is a unanimous report. He is a Spanish-American War veteran, a captain.

The Clerk read as follows:

Joint resolution (H. J. Res. 465) for the appointment of one member of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

Resolved, etc., That W. S. Albright, of Kansas, be, and he is hereby, appointed a member of the Board of Managers of the National Home for Disabled Volunteer Soldiers of the United States, to fill the unexpired term of George Black, deceased.

The SPEAKER. Is a second demanded?

A second was not demanded.

The question was taken; and, two-thirds having voted in favor thereof, the rules were suspended and the House joint resolution was passed.

ERECTION OF MEMORIALS, ETC., ARLINGTON MEMORIAL AMPHITHEATER.

Mr. GOULD. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 8032.

The SPEAKER. The Clerk will report the bill.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman from Illinois will state it.

Mr. MANN of Illinois. Is the motion of the gentleman to pass the original House bill or the House bill with amendments incorporated in the copy which the gentleman sent to the Clerk's desk?

The SPEAKER. The Chair was not giving attention.

Mr. GOULD. There is a slight change in an amendment made. I gave the proper copy to the Clerk.

The SPEAKER. The gentleman from New York moves to suspend the rules and pass the bill as amended.

Mr. GOULD. In conformity with the copy which I sent to the Clerk's desk.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 8032) to provide for the erection of memorials and the entombment of bodies in the Arlington Memorial Amphitheater, in Arlington National Cemetery, Va.

Be it enacted, etc., That a commission is hereby created, to be composed of the Secretary of War and the Secretary of the Navy, which shall submit annually to the President, who shall transmit the same to Congress by the first Monday in December, recommendations as to what, if any, inscriptions, tablets, busts, or other memorials shall be erected, and what, if any, bodies of deceased members of the Army, Navy, and Marine Corps shall be entombed during the next ensuing year within the Arlington Memorial Amphitheater, in the Arlington National Cemetery, Va.: *Provided*, That no memorial shall be placed and no body shall be interred in the grounds about the Arlington Memorial Amphitheater within a distance of 250 feet from the said memorial.

SEC. 2. That the Secretary of War shall be the chairman of the said commission and the officer in charge of public buildings and grounds in the District of Columbia shall be its executive and disbursing officer.

SEC. 3. That no inscription, tablet, bust, or other memorial shall be erected nor shall any body be entombed within the Arlington Memorial Amphitheater unless specifically authorized in each case by act of the Congress.

SEC. 4. That no inscription, tablet, bust, or other memorial as herein provided for shall be erected to commemorate any person who shall not have rendered conspicuously distinguished service in the United States Army, Navy, or Marine Corps, nor shall the body of any such person be entombed in the Arlington Memorial Amphitheater; nor shall any such memorial be erected or any body be entombed therein within 10 years after the date of the death of the person so to be commemorated.

SEC. 5. That the character, design, and location of any such inscriptions, tablets, busts, or other memorials when authorized as herein provided shall be subject to the approval of the commission herein created, which shall in each case obtain the advice of the Commission of Fine Arts.

The SPEAKER. Is a second demanded?

Mr. GARD. Mr. Speaker, I demand a second.

Mr. GOULD. Mr. Speaker, I ask unanimous consent that a second may be considered as ordered.

There was no objection.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. GOULD. I will.

Mr. GARD. I do not desire to take any time. I made the reservation in order to inquire as to the amendments made. The only amendment I can find from having heard the bill read was that in lines 5 and 6, page 3, the words "unless specifically otherwise provided by act of Congress in individual cases" were left out.

Mr. GOULD. Mr. Speaker, on page 3 those lines were left out according to the objection made.

Mr. GARD. That is the only change made from the bill as it was before presented?

Mr. GOULD. Yes, sir.

Mr. GARD. What is the object of leaving out this phraseology?

Mr. GOULD. It prevents repetition that is already covered in an earlier part of the bill.

Mr. GARD. I do not see where the phrase is covered.

Mr. GOULD. It is already in section 3.

Mr. GARD. Is it the idea of section 3 as it is now controls notwithstanding the provision in section 4 that there shall be no burial or entombment within 10 years after death, that notwithstanding section 3 provides an exception?

Mr. GOULD. Yes, sir.

Mr. GARD. I do not desire to use any time.

The question was taken; and, two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

UNANIMOUS CONSENT CALENDAR.

The SPEAKER. The Clerk will report the next bill on the Unanimous Consent Calendar.

Mr. BARKLEY. Mr. Speaker, will the Chair recognize me to move to suspend the rules and pass the Senate bill?

The SPEAKER. The Chair will not recognize any gentleman unless the Chair knows about the matter in advance.

Mr. BARKLEY. This is Senate bill—

The SPEAKER. The Chair will not recognize the gentleman unless he consults the Chair in advance.

Mr. MCCLINTIC. Mr. Speaker, inasmuch as this is unanimous-consent day, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Oklahoma makes the point that there is no quorum present. The Chair will count. [After counting.] The Chair thinks no quorum is present.

Mr. WALSH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The roll was called; and the following Members failed to answer to their names:

Andrews, Md.	Eagle	Kettner	Reavis
Anthony	Echols	Kincheloe	Riordan
Bacharach	Edmonds	Kitchin	Rowan
Baer	Ellsworth	Kleezka	Rubey
Bankhead	Emerson	Kreider	Rucker
Bell	Evans, Nev.	Langley	Sabath
Bland, Mo.	Ferris	Layton	Sanders, La.
Britten	Flood	Lee, Ga.	Sanders, N. Y.
Brooks, Pa.	Gandy	Leshner	Scott
Brumbaugh	Ganly	Linthicum	Scully
Burke	Garner	Little	Sears
Byrns, Tenn.	Godwin, N. C.	Lonergan	Sells
Caldwell	Goldfogle	Lubring	Siegel
Campbell, Kans.	Goodall	McCalloch	Sims
Candler	Goodwin, Ark.	McDuffie	Sinclair
Cantrill	Goodykoontz	McGlennon	Slemp
Casey	Graham, Pa.	McKenzie	Small
Clark, Fla.	Green, Iowa	McKeown	Smith, N. Y.
Clark, Mo.	Hamill	McKinley	Stedman
Classon	Hamilton	McKinley	Stinson
Cooper	Hardy, Tex.	McLane	Stell
Copley	Harrell	Madden	Sullivan
Costello	Harrison	Maher	Swope
Cramton	Hays	Mann, S. C.	Taylor, Colo.
Crowther	Hersey	Massfield	Taylor, Tenn.
Curry, Calif.	Hill	Mason	Thomas
Dale	Hoey	Mead	Townner
Davey	Hullings	Moon	Vare
Davis, Minn.	Hull, Tenn.	Mooney	Vestal
Dent	Humphreys	Morin	Voigt
Dewalt	Hutchinson	Mudd	Volk
Donovan	Igoe	Neely	Webster
Dooling	James, Mich.	Newton, Minn.	Welby
Doremus	Johnson, S. Dak.	Olney	Whaley
Doughton	Johnson, Wash.	Padgett	Wheeler
Draae	Johnson, N. Y.	Porter	White, Kans.
Drewry	Juni	Rainey, Ala.	Wise
Dunbar	Kahn	Rainey, Henry T.	Yates
Dunn	Kennedy, Iowa	Rainey, John W.	Young, Tex.
Eagan	Kennedy, R. I.	Randall, Calif.	Zihlman

The SPEAKER. Two hundred and sixty-seven Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER. The gentleman from Wyoming moves that further proceedings under the call be dispensed with. The question is on agreeing to that motion.

The motion was agreed to.

DEFICIENCY APPROPRIATION BILL.

Mr. GOOD, from the Committee on Appropriations, submitted for printing, under the rule, the conference report and accompanying statement on the bill (H. R. 15962) making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1921, and for prior years, and for other purposes.

The SPEAKER. The Clerk will report the next bill on the Unanimous Consent Calendar.

TERMS OF FEDERAL COURT AT NORWALK, CONN.

The Clerk reported the bill (S. 4682) to amend section 74 of the Judicial Code, as amended.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 74 of the Judicial Code, as amended, be amended to read as follows:

"Sec. 74. The State of Connecticut shall constitute one judicial district, to be known as the District of Connecticut. Terms of the district court shall be held at New Haven on the fourth Tuesdays in February and September, at Hartford on the fourth Tuesdays in May and the first Tuesday in December, and at Norwalk on the fourth Tuesday in April: *Provided, however,* That suitable rooms and accommodations shall be furnished for the holdings of said court and for the use of the officers of said court at Norwalk free of expense to the Government of the United States."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SMITH of Idaho. Mr. Speaker, reserving the right to object, I wish to ask for information from the gentleman from Massachusetts [Mr. WALSH], who reported the bill.

I observe that the report does not bear evidence of this bill having been referred to the Attorney General of the United States nor to any other Cabinet officer. It seems to have been the policy of the gentleman from Massachusetts, when bills have been under consideration, to inquire whether or not reports have been received from the department of the Government concerned in the legislation, and I notice that in this report there is no reference to any reply from the Attorney General with respect to this legislation.

Mr. MERRITT. Mr. Speaker, will the gentleman yield?

Mr. WALSH. It is a Senate bill, which originated in the Senate. When information is presented to the Senate committee and a bill comes over to the House, the Committee on the Judiciary does not usually go through the motions of asking the Attorney General of the United States if he had changed his mind since he informed the Senate that he had no objection to the enactment of the bill.

Mr. SMITH of Idaho. I have no doubt that the Committee on the Judiciary acted wisely in reporting this bill, but it seems to me the custom he insists upon with reference to bills reported by other Members ought to have been carried out.

Mr. WALSH. I have never insisted on that custom with respect to Senate bills.

Mr. SMITH of Idaho. A few days ago we had a bill under consideration in the House, reported upon favorably by the Secretary of the Interior, and the gentleman from Massachusetts objected to its consideration because the Member making the report did not have a report from the Secretary of the Treasury and the Secretary of Commerce. Why not be consistent?

Mr. WALSH. It was the gentleman from Illinois [Mr. MANN] who raised that question.

Mr. MCCLINTIC. Mr. Speaker, I call for the regular order.

The SPEAKER. The gentleman from Oklahoma demands the regular order, which is, Is there objection?

Mr. MERRITT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Idaho. I want to make an inquiry. I notice in the latter part of the bill there is a proviso to the effect that suitable rooms and accommodations shall be furnished for the holdings of said court and for the use of the officers of said court at Norfolk free of expense to the Government of the United States.

Mr. WALSH. It is not Norfolk at all.

Mr. SMITH of Idaho. It is Norwalk. I am curious to know, if the Federal Government is not to pay the expenses of holding its own court, who is to pay the expenses?

Mr. WALSH. If the gentleman will read the language, he will see that is not what it says.

Mr. SMITH of Idaho. That is the language.

Mr. MERRITT. If the gentleman will allow me to answer the inquiry, this bill was passed in the Senate at the request of Judge Thomas, the district judge of Connecticut. The city of Norwalk will pay all the expenses, so there will be no extra expense at all to the United States.

Mr. SMITH of Idaho. Why does the city of Norwalk want to pay the expense of holding a Federal court? Is the court to be held there for the benefit of the city of Norwalk or for the benefit of the public service?

Mr. MERRITT. For the benefit of the citizens of the United States who live in that county.

Mr. SMITH of Idaho. Is it not unusual for a city to pay the expenses of a Federal court?

Mr. MERRITT. They do not pay the expenses of the court. All they do is to furnish the room. It is just simply for the convenience of the judge and the litigants in that district. There is no objection to it at all.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 74 of the Judicial Code, as amended, be amended to read as follows:

"Sec. 74. The State of Connecticut shall constitute one judicial district, to be known as the district of Connecticut. Terms of the district court shall be held at New Haven on the fourth Tuesdays in February and September, at Hartford on the fourth Tuesday in May and the first Tuesday in December, and at Norwalk on the fourth Tuesday in April: *Provided, however,* That suitable rooms and accommodations shall be furnished for the holdings of said court and for the use of the officers of said court at Norwalk free of expense to the Government of the United States."

Mr. WALSH. In order to make it perfectly clear to the gentleman from Idaho [Mr. SMITH], I will say that this follows the usual practice, that when additional sittings of courts are provided to be held in cities in which there is no Federal court building it is required that the particular district or city where the extra sitting is held shall furnish to the court accommodations for the holding of the sessions of court without expense to the United States. In some States—I do not say that it is so in the great Commonwealth so ably represented by the gentleman from Idaho—they provide that they get a new public building when they get an extra sitting of the court, but we have eliminated any such possibility in this case by providing that the city of Norwalk shall furnish these accommodations for the sitting of this court in one of the city buildings there.

Mr. SMITH of Idaho. I presume it will be necessary to have some additional employees in the city of Norwalk to take care of the business of the court. Will the city pay the salaries of those employees?

Mr. WALSH. We will let the city of Norwalk worry about that.

Mr. SMITH of Idaho. It is certainly unusual for a municipality to defray the expenses of a United States court.

Mr. WALSH. No; this is the usual way.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. MERRITT, a motion to reconsider the vote by which the bill was passed was laid on the table.

UNITED STATES DEPOSITARIES IN PANAMA AND INSULAR POSSESSIONS.

The next business on the Calendar for Unanimous Consent was the bill (S. 4436) to amend the act approved December 23, 1913, known as the Federal reserve act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. CHINDBLOM. I should like to have it reported.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of the act approved December 24, 1919, known as the Edge Act, amending the Federal reserve act, be amended by adding at the end a proviso, so that the paragraph as amended will read as follows:

"Sec. 25. (a) Corporations to be organized for the purpose of engaging in international or foreign banking or other international or foreign financial operations, or in banking or other financial operations in a dependency or insular possession of the United States, either directly or through the agency, ownership, or control of local institutions in foreign countries, or in such dependencies or insular possessions as provided by this section, and to act when required by the Secretary of the Treasury as fiscal agents of the United States, may be formed by any number of natural persons, not less in any case than five: *Provided,* That nothing in this section shall be construed to deny the right of the Secretary of the Treasury to use any corporation organized under this section as depositaries in Panama and the Panama Canal Zone, or in the Philippine Islands and other insular possessions and dependencies of the United States."

The SPEAKER. Is there objection?

Mr. CHINDBLOM. Reserving the right to object, I should like to inquire what the difference is between the section as it is proposed to amend it and the original section?

Mr. McFADDEN. This bill is identical with H. R. 14021, reported to the House last May. It refers to the Government depositaries in Panama, the Panama Canal Zone, and the insular possessions of the United States, and it simply permits the Treasury Department to use the Edge corporations, which are incorporated under the laws of the United States, rather than to utilize corporations organized under State laws, as the Treasury Department is now doing.

Mr. CHINDBLOM. For depositaries?

Mr. McFADDEN. For depositaries.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

The SPEAKER. The Clerk will report the next bill.

TO AMEND SECTION 5146 OF THE REVISED STATUTES.

The next business on the Unanimous Consent Calendar was the bill (H. R. 11307) to amend section 5146 of the Revised Statutes of the United States in relation to the qualifications of directors of the National Banking Association.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. GARD. Reserving the right to object, the bill as I read it seems to me to be very local in its nature and application. I would ask the chairman of the committee what is the reason for the extension of this 25-mile limit in the first instance, and also I shall ask him in a moment about some of the provisions in the bill as it is now framed?

Mr. McFADDEN. The bill does provide for taking care of certain cities, such as St. Louis and East St. Louis, but it would apply to New York and Jersey City, St. Paul and Minneapolis, Philadelphia and Camden, and cities and towns located on the border or State line.

Mr. GARD. If located on the State line, why not follow that law and have the directors reside in the State?

Mr. McFADDEN. If the gentleman will read the report, the last section covers that very clearly. It reads as follows:

This section of the national banking act as it stands at present requires that at least three-fourths of the directors of a national bank must have lived for at least one year within the State, Territory, or District in which the bank is located and must continue in residence therein during their continuance in office. A number of cities, however, are located on or near State lines, and it sometimes happens that a manufacturing or business center may be in one State and the residence center belonging to the same city in another—as at East St. Louis and St. Louis. There seems no good reason why residence within 50 miles of the bank in these days of good roads and motor cars should not be allowed. The bank must in any event choose directors from among the business men of the town where located in order to obtain a quorum at its meetings, and the distance they travel to and from business is not material nor is the fact whether they live on one side or another of a State line.

Mr. GARD. That is what I had in mind. It simply is a matter that appertains to St. Louis and East St. Louis, as far as the report is concerned. Is it necessary to amend the act for one city?

Mr. WINGO. Let me say to the gentleman that in Texarkana in my district the State line is nothing but a street. Kansas City, Kans., is the same; and take the city of Fort Smith, and Oklahoma is just across the river. There are a good many cities besides St. Louis and East St. Louis that this will apply to. St. Louis and East St. Louis are typical of the larger cities like St. Paul and Minneapolis. There are many small cities throughout the Nation where it is necessary to permit this provision sought to be put in here. It is not a local bill, although it applies to St. Louis and East St. Louis.

Mr. GARD. It is a general bill, but its application, so far as the report is concerned, is to St. Louis and East St. Louis.

Now, on page 2, line 2, the language is that they must be residents of such State or within 50 miles of the territory of location of the association during their continuance in office. On page 1 a different expression is used—it says, "Within 50 miles of the location of the office of the association." Is there any difference between these two methods of expression?

Mr. McFADDEN. I do not think it was intended to make any distinction in that particular. The idea was to permit directors to serve who live within 50 miles of the bank.

Mr. GARD. It is a different expression about the same thing, but I have no desire to offer an amendment.

Mr. PHELAN. In one case it uses a verb, to reside, and in the other case it uses a noun, resident.

Mr. WINGO. The latter expression refers to the territory described in the first.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5146 of the Revised Statutes of the United States be so amended as to read as follows:

"Sec. 5146. Every director must, during his whole term of service, be a citizen of the United States, and at least three-fourths of the directors must have resided in the State, Territory, or District in which the association is located, or within 25 miles of the location of the office of the association, for at least one year immediately preceding their election, and must be residents of such State or within a 25-mile territory of the location of the association during their continuance in office. Every director must own in his own right at least 10 shares of the capital stock of the association of which he is a director, unless the capital of the bank shall not exceed \$25,000, in which case he must own in his own right at least five shares of such capital stock. Any director who ceases to be the owner of the required number of shares of the stock, or who becomes in any other manner disqualified, shall thereby vacate his place.

With the following committee amendments:

Amend in lines 9 and 12, page 1, by striking out the words "twenty-five" in each line and inserting in lieu thereof the word "fifty."

The SPEAKER. The question is on the committee amendment.

Mr. BLACK. Mr. Speaker, I rise to oppose the amendment. I would like to ask the chairman what good reason there is for extending this limit from 25 miles, as provided in the bill passed by the Senate, to 50 miles, as now proposed. It occurs to me that there is a very substantial reason for requiring the board of directors of the bank to live in the community where the bank is located. The purpose of this bill, as I understand it, is to modify the law so that where a bank is located on the border of States three-fourths will not be required to live within the limits of the particular State where the bank is located.

Mr. CHINDBLOM. If the gentleman will yield, in the neighborhood of Chicago there are a number of suburban towns more than 25 miles away. The men that live there have business in Chicago. Why should they not be permitted to be directors?

Mr. BLACK. They would be if they lived within the State lines.

Mr. CHINDBLOM. It happens that some might live outside; they might live in Indiana.

Mr. BLACK. I think there is a very good reason why the directors should be familiar with local conditions. For us to extend this provision providing a 50-mile limit, it occurs to me, is going too far.

Mr. McFADDEN. Mr. Speaker, will the gentleman yield?

Mr. BLACK. Yes.

Mr. McFADDEN. I will say to the gentleman that the committee felt that there was no trouble in that respect because of the improved methods of travel nowadays in these days of automobiles. Men who live within 50 miles of a bank are perfectly familiar with the affairs of the institution.

Mr. BLACK. I do not know whether that be true or not. Of course, they could get to a directors' meeting, but that is not the point. The point is that a director ought to be familiar with the local conditions in the district where the bank transacts business, and it occurs to me that we are about to do something that might not be wise from a sound financial standpoint.

Mr. PHELAN. Mr. Speaker, will the gentleman yield?

Mr. BLACK. Yes.

Mr. PHELAN. A great many men doing business in New York City, for example, live across the line in New Jersey. There are many men living in places in New Jersey 25 or 30 miles from New York City who are really business men of the city of New York. Will the gentleman contend that they are not more familiar with the affairs of New York City than somebody living in Buffalo, for example, which is in the same State as New York City?

Mr. BLACK. My contention is that 25 miles is, perhaps, as far as we should go. There is no doubt in the world that a great many bank failures are due to the carelessness and lax supervision of directors. I think it is a very wise provision to require that a director of a bank shall keep in close personal touch with the bank, and if a great many of them would be more vigilant in that respect we would not have so many defaulting bank officials.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. BLACK. Yes.

Mr. KING. I might say to the gentleman that up along the Mississippi River similar conditions exist. For instance, take the town of Burlington, Iowa. There is a large city of 45,000 or 50,000 inhabitants, yet across the river, up on the hills of Illinois, many of those business men live, and they go over there every day. The same is true of Davenport and Rock Island. It requires a 50-mile limit to include them.

Mr. BLACK. Would not the 25-mile limit include places of that kind?

Mr. KING. I do not think it would at that point. There are a number of other places similarly situated. It is a local community just the same. They all do business together. The gentleman is thinking of those great, magnificent prairies in the State of Texas.

Mr. BLACK. Mr. Speaker, I merely want to direct attention to the fact that we might go too far in widening the limits proposed in the Senate bill.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question now is on the engrossment and third reading of the bill as amended.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. McFADDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

By unanimous consent, at the request of Mr. McFADDEN, the bill H. R. 14021, a similar bill, was ordered to lie on the table.

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent to print in the Record a short memorial from the Legislative Assembly of the State of Oregon offering on behalf of the people of that State quantities of food for the hungry people of the East and Near East and suggesting a method of transportation of food and supplies where needed.

The SPEAKER. The gentleman from Oregon asks unanimous consent to print a memorial from the State of Oregon in reference to the furnishing of food to the people of the Near East. Is there objection?

Mr. McCLINTIC. Mr. Speaker, I object.

The SPEAKER. The Clerk will report the next bill.

AMENDING SECTION 9 OF THE FEDERAL RESERVE ACT.

The next bill on the Unanimous Consent Calendar was the bill (H. R. 11918) to amend section 9 of the Federal reserve act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HUSTED. Mr. Speaker, this is a very important bill, which makes trust companies and State banks depositories of Government funds, and unless some very good reason can be shown why they are made so, I will have to object. I reserve the right to object.

Mr. McFADDEN. Mr. Speaker, I will say to the gentleman that this bill only provides that the State banks shall be designated to be depositories when such banks are members of the Federal Reserve System. Inasmuch as national banks have that privilege, it has been thought by the committee and by the Secretary of the Treasury and by many banks throughout the country that the State banks should have that same privilege, inasmuch as they are under the supervision of the Federal Reserve System.

Mr. HUSTED. Well, I think that only national banks should be depositories of Government funds, and I object.

The SPEAKER. Objection is made.

AMENDING SECTION 10 OF THE FEDERAL RESERVE ACT.

The next bill on the Calendar for Unanimous Consent was the bill (H. R. 14386) to amend section 10 of the act approved December 23, 1913, known as the Federal reserve act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McCLINTIC. Mr. Speaker, reserving the right to object, this bill, if I understand it correctly, appropriates a million dollars to build a building here in Washington?

Mr. KING. Yes, sir.

Mr. McCLINTIC. Mr. Speaker, we have about 40 acres of buildings down here more than we need, and I object.

The SPEAKER. Objection is made.

AMENDING SECTION 11 OF THE FEDERAL RESERVE ACT.

The next bill on the Unanimous Consent Calendar was the bill S. 4683, an act to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLACK. Mr. Speaker, I ask that the bill be reported.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, be further

amended by striking out the words "December 31, 1920," at the end thereof and inserting in lieu thereof the following: "December 31, 1921."

The committee amendment was read, as follows:

Page 1, line 2, strike out all of lines 3 to 8, inclusive, and insert in lieu thereof the following:

"That section 11 of the act approved December 23, 1913, known as the Federal reserve act, as amended, be further amended by striking out the whole of subsection (m) and by substituting therefor a subsection to read as follows:

"(m) Upon the affirmative vote of not less than five of its members, the Federal Reserve Board shall have power to permit Federal reserve banks to discount for any member bank notes, drafts, or bills of exchange bearing the signature or indorsement of any one borrower in excess of the amount permitted by section 9 and section 13 of this act, but in no case to exceed 20 per cent of the member bank's capital and surplus: *Provided, however,* That all such notes, drafts, or bills of exchange discounted for any member bank in excess of the amount permitted under such sections shall be secured by not less than a like face amount of bonds or notes of the United States issued since April 24, 1917, for which the borrower shall in good faith prior to January 1, 1921, have paid or agreed to pay not less than the full face amount thereof, or certificates of indebtedness of the United States: *Provided further,* That the provisions of this subsection (m) shall not be operative after October 31, 1921."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, the bill in its present form seems to be one sent over from the Senate with a rather immaterial amendment, changing December 31, 1920, to December 31, 1921, and this amendment of the House committee is an entire change.

Mr. McFADDEN. I will say to the gentleman in that connection, we consulted with the Federal Reserve Board and the counsel for the Federal Reserve Board, and this amendment as put into this bill is drawn by the counsel for the Federal Reserve Board, and was intended simply to cover the extension of loans under the provisions of the act. The Senate bill provided only that the terms of the bill should be extended for a year.

Mr. GARD. And this had the approval of the counsel of the Federal Reserve Board?

Mr. McFADDEN. It did.

Mr. GARD. And the Treasury Department?

Mr. McFADDEN. Yes; it has.

Mr. BLACK. Mr. Speaker, still further reserving the right to object, as I understand the situation this bill will permit banks rediscounting above the 10 per cent loan limit where the paper is secured by Liberty bonds or other obligations of the United States which they have purchased at their par value. In other words, it enables them to rediscount their own Liberty bonds which they bought during the Liberty loan campaign?

Mr. McFADDEN. That is the idea.

Mr. BLACK. And not to enable them to purchase bonds on the open market and other bonds that may have been purchased?

Mr. McFADDEN. It safeguards that. This bill is to stop any possible speculation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The bill and the amendments were again reported.

Mr. WINGO. Mr. Speaker, I desire to be recognized on the amendment. I want to take a few minutes to explain to the House what is done by this amendment. I think the Record ought to show it in connection with the bill. Under section 11 of the Federal reserve act, as amended September 7, 1916, and March 3, 1919, we authorized, for a period ending with the year 1920, the Federal Reserve Board to permit the Federal reserve banks to exceed the 10 per cent limit on the rediscount of paper that was secured by Government obligation. Of course, we all know why we did that. We had hoped that by the last of 1920 they would be sufficiently absorbed by the customers of the bank so that we could get back to the 10 per cent limitation. Now, the Senate amendment, as it comes over, simply extended this provision for the year 1921. It was the opinion of the Committee on Banking and Currency of the House that we ought not to extend this privilege to those who had been speculating in Liberty bonds, but to the bona fide holder of Liberty bonds who had found it impossible to pay their installments, where for any reason they had not been able to pay for them and pay their installments, and where for any reason they had not been able to liquidate that indebtedness, the bank would be permitted to take care of them, and yet we did not want to put a premium on speculating in bonds, or let those who had bought them for speculative purposes choke the portfolios of the Federal reserve banks. So we put in an amendment that simply means this, that this privilege is only granted upon the vote of five members of the Federal Reserve Board, and it shall not exceed in any case 20 per cent—the regular limitation is 10 per cent—and it shall only apply where the borrower in good faith had bought them prior to January 1,

1921. And we further provide that that provision shall expire and not be operative after October 31 of this year. In other words, we are extending the privilege to the bona fide holders of Liberty loan bonds that had rediscount privileges at the Federal reserve banks, to carry them up to such time as they will be able to liquidate that paper and take it from the Federal reserve banks. That was the idea.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read a third time, and passed.

On motion of Mr. McFADDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

LOYD E. GANDY.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 13040) authorizing the Secretary of War to grant to Lloyd E. Gandy, of Spokane, Wash., his heirs and assigns, the right to overflow certain lands on the Fort George Wright Military Reservation, at Spokane, Wash., on such terms as may be prescribed by the Secretary of War, and for other purposes.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, I note in the reading of the report on this bill, first, that there is some question about the overflow of this land and its effect upon the Spokane River. I read from the report on page 4, in which it says:

The sewage of the city of Spokane empties into the Spokane River at several points above the Fort Wright Reservation. Owing to the swift current the pollution of the stream is so low that property owners have no cause for objection. In case a dam is constructed below the reservation the water will become much deeper and the flow much less rapid. Inclosed is statement on the conditions that will follow, by Maj. Harry C. Ford, Medical Corps, post surgeon.

There is another vital objection which I note. In the last line on page 2 and the three lines on page 3 provision is made as follows:

That the Secretary of War be, and he is hereby, authorized to condemn, at the expense of the grantee herein, and, so far as may be found expedient, any land advantageous or desirable for target-range purposes.

In other words, we have the proposition here affording the Secretary of War unquestionable authority to condemn land at the request of the grantee, Gandy, in this case; in other words, to authorize the power of Federal condemnation for private purposes.

Mr. HULL of Iowa. If the gentleman will notice, the Secretary of War recommended that that provision be stricken out, and I assume there would be no objection to it. That was put in because some of the Army officers thought that it ought to be put in there.

Now, in regard to the pollution of the stream, it seems there is no objection at all by the people of Spokane along that line. Judge WEBSTER, who has this bill, is sick, and he investigated the matter. The bill was sent to the subcommittee, of which I am chairman, a year ago, and I asked him to thoroughly investigate it when he went out there. He did so, and when he came back he reported that there was no possible objection by the people of Spokane. In fact, all the people of Spokane are anxious for this water-power development.

Mr. GARD. I think the bill ought to go over in the absence of Mr. WEBSTER.

The SPEAKER. Objection is heard. The Clerk will report the next bill.

DEPOSIT MONEY ORDERS IN THE CANAL ZONE.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 14739) to amend section 6 of an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916.

The title of the bill was read.

Mr. BLANTON. I object, Mr. Speaker.

The SPEAKER. Objection is made. The Clerk will report the next bill.

PATENT RIGHTS OF HOMESTEADERS.

The next business on the Calendar for Unanimous Consent was the bill (S. 3225) for the relief of bona fide settlers, who intermarry after having complied with the homestead law for one year.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. McCLINTIC. Reserving the right to object, I do this for the purpose of asking the majority leader how much longer he intends to run? I ask this question because I promised to notify some Members.

Mr. MONDELL. For 5 or 10 minutes, if there is no objection.

Mr. McCLINTIC. I promised to notify certain Members who have bills on the calendar in case it looked as if we would soon get through.

Mr. MONDELL. It is the intention to run just a little longer.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act providing that the marriage of a homestead entryman to a homestead entrywoman shall not impair the right of either to a patent, after compliance with the law a year, to apply to existing entries," approved April 6, 1914 (38 Stats., p. 312), be, and the same is hereby, amended by adding thereto the following: 'Provided further, That in the administration of this act the terms 'entryman' and 'entrywoman' shall be construed to include bona fide settlers who have complied with the homestead law for at least one year next preceding such marriage.'

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. BENHAM, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

BELIEF OF SUFFERING POPULATIONS OF THE WORLD.

The next business on the Calendar for Unanimous Consent was the resolution (H. Con. Res. 71) to designate a day on which our people may be urged to contribute to the need of the suffering populations of the world stricken by war, famine, and pestilence. The title of the resolution was read.

Mr. BLANTON. I object, Mr. Speaker.

The SPEAKER. Objection is heard. The Clerk will report the next bill.

DISCHARGES FROM THE ARMY, NAVY, MARINE CORPS, AND COAST GUARD.

The next business on the Calendar for Unanimous Consent was the resolution (H. J. Res. 428) to repeal section 8 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920.

The title of the resolution was read.

The SPEAKER. Is there objection?

Mr. WALSH. I object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

NATIONAL FORESTS IN SOUTH DAKOTA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 11118) authorizing the consolidation of lands in the national forests in the State of South Dakota.

The title of the bill was read.

Mr. McCLINTIC. Mr. Speaker, I make the point that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. If the gentlemen will withhold for a moment, the Chair will submit some personal requests.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. DUNN (at the request of Mr. PARKER), on account of death in his family;

To Mr. CLARK of Missouri, for to-day, on account of illness;

To Mr. BANKHEAD (at the request of Mr. ALMON), for three days, on account of the death of his sister;

To Mr. WEBSTER (at the request of Mr. HADLEY), for the day, on account of illness;

To Mr. REAVIS (at the request of Mr. ANDREWS of Nebraska), for two days, on account of sickness;

To Mr. EAGAN, for one day, on account of business; and

To Mr. CROWTHER, for four days, on account of business.

NATIONAL FORESTS IN SOUTH DAKOTA.

Mr. McCLINTIC. Mr. Speaker, I want to withdraw the point of no quorum, and ask unanimous consent that the pending bill, H. R. 11118, be passed over without prejudice until Mr. GANDY can get here.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that the bill indicated be passed over without prejudice. Is there objection?

There was no objection.

LLOYD E. GANDY.

Mr. HULL of Iowa. Mr. Speaker, I ask unanimous consent, in behalf of Mr. WEBSTER, that the bill H. R. 13040 be retained on the calendar.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the bill H. R. 13040 be retained on the calendar. Is there objection?

Mr. GARD. The customary rule is that they shall go to the foot of the calendar, but I have no objection.

Mr. HASTINGS. The gentleman from Massachusetts [Mr. WALSH] is here. I hope that will be his rule now.

Mr. WALSH. It might just as well be at the foot of the calendar as elsewhere.

ADJOURNMENT.

Mr. MONDELL. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 10 minutes p. m.) the House adjourned until Tuesday, February 22, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

420. A letter from the secretary of Hawaii, transmitting a copy each of the laws and journal of the House of Representatives of the Legislature of the Territory of Hawaii; to the Committee on the Territories.

421. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Salmon River, Idaho, up to Salmon; to the Committee on Rivers and Harbors.

422. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Los Angeles and Long Beach Harbors, Calif. (H. Doc. No. 1013); to the Committee on Rivers and Harbors and ordered to be printed, with map.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. KELLY of Pennsylvania, from the Committee on Indian Affairs, to which was referred the bill (S. 3307) authorizing the Ottawa and Chippewa Tribes of Indians of Michigan to submit claims to the Court of Claims, reported the same without amendments, accompanied by a report (No. 1344), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HADLEY, from the Committee on Ways and Means, to which was referred the bill (H. R. 16118) to amend section 6 of an act approved January 17, 1914, entitled "An act to amend an act entitled 'An act to prohibit the importation and use of opium for other than medicinal purposes,' approved February 9, 1909," reported the same with an amendment, accompanied by a report (No. 1345), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HAWLEY, from the Committee on Ways and Means, to which was referred the bill (H. R. 13335) for the relief of certain customs employees at the port of Philadelphia who served as acting customs guards during the war emergency, reported the same without amendment, accompanied by a report (No. 1343), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of South Dakota: A bill (H. R. 16133) granting longevity pay from and including August 5, 1917, to certain officers and enlisted men; to the Committee on Military Affairs.

By Mr. COLLIER: A bill (H. R. 16134) to authorize the sale of certain land within the Vicksburg National Cemetery Reservation, Miss.; to the Committee on Military Affairs.

By Mr. LANGLEY: A bill (H. R. 16135) authorizing the Secretary of the Treasury to provide enlargements and improvements, etc., in connection with certain hospitals, etc., under the control of the United States Public Health Service; to the Committee on Public Buildings and Grounds.

By Mr. RAMSEY: Resolution (H. Res. 692) authorizing the chairman of the Committee on Enrolled Bills to employ additional clerks; to the Committee on Accounts.

By Mr. ZIHLMAN: Resolution (H. Res. 693) making an appropriation for the restoration of decorations in the House wing of the Capitol Building; to the Committee on Accounts.

By the SPEAKER (by request): Memorial from the Legislature of the State of Oregon relative to the Atlantic and Pacific Highways and Electrical Exposition to be held in the city of Portland, Oreg.; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Idaho, favoring the passage of the Smith bill regarding the Fall River Meadows Reservoir site; to the Committee on the Public Lands.

By Mr. SINCLAIR: Memorial from the Legislature of the State of North Dakota, petitioning Congress to purchase a certain tract of land in Billings County, N. Dak., for the establishment of the proposed Roosevelt Park; to the Committee on the Public Lands.

By Mr. TINKHAM: Memorial of the Legislature of the State of Massachusetts, in connection with the proper distribution of coal; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of North Dakota: Memorial of the Legislature of the State of North Dakota, favoring the establishment of a national park and game preserve in the Bad Lands of the State of North Dakota; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. McKEOWN: A bill (H. R. 16136) for the relief of Dawes Columbus; to the Committee on Claims.

By Mr. RAKER: A bill (H. R. 16137) for the relief of the Indian Valley Railroad Co.; to the Committee on Claims.

By Mr. RICKETTS: A bill (H. R. 16138) granting an increase of pension to Lorilla Downhour; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5955. By the SPEAKER (by request): Petition of the Community Forum of New York City, requesting Congress to pass legislation to give relief to the starving children of Europe; to the Committee on Foreign Affairs.

5956. By Mr. BARBOUR: Petition of Farm Bureau of Solano County, Calif., relative to a tariff on olives and olive products; to the Committee on Ways and Means.

5957. Also, petition of the Milk Producers' Association of San Diego County, Calif., relative to a tariff on butter; to the Committee on Ways and Means.

5958. By Mr. CLASSON: Resolution from Holy Name Society, Little Chute, Wis., protesting against the so-called Smith-Towner bill; to the Committee on Education.

5959. By Mr. DALLINGER: Petition of mass meeting of sundry citizens of the eighth congressional district of Massachusetts held under the auspices of the Cambridge Council, No. 74, Knights of Columbus, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5960. By Mr. ELSTON: Petition of Kiwanis Club, of Oakland, Calif., advocating the erection of a new post-office building at Oakland, Calif.; to the Committee on Public Buildings and Grounds.

5961. By Mr. FULLER: Petition of the Holy Name Society, of Dornick and Troy Grove, Ill., protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5962. By Mr. GALLIVAN: Petition of the St. Margaret's Branch, Ladies' Catholic Benevolent Association, No. 1267, Mary E. Cavanagh, president, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5963. By Mr. LAMPERT: Letter from Frank H. Brown Post, No. 43, American Legion, Ripon, Wis., demanding the surrender of millionaire traitor and slacker, Grover Cleveland Bergdoll; to the Committee on Military Affairs.

5964. Also, petition from the Women's Catholic Order of Foresters, Fond du Lac, Wis., protesting against the so-called Smith-Towner bill; to the Committee on Education.

5965. By Mr. MORIN: Petition of members of St. Augustine Casino, Pittsburgh, Pa., protesting against the Smith-Towner bill; to the Committee on Education.

5966. Also, petition of Retail Lumber Dealers' Association of Pennsylvania, W. B. Strayer, secretary, protesting against a duty on lumber imported from Canada; to the Committee on Ways and Means.

5967. Also, petition of West Pittsburgh Lodge, No. 70, Amalgamated Association of Iron, Steel, and Tin Workers of North America, protesting against an unjust trade embargo and urging that same be removed; to the Committee on Ways and Means.

5968. By Mr. NEWTON of Minnesota: Petition of sundry citizens of Minneapolis, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5969. By Mr. O'CONNELL: Petition of Wyckoff Heights Taxpayers' Association, of the Borough of Brooklyn, N. Y., opposing the cancellation of any of the debts owed to us by any foreign Government; to the Committee on Ways and Means.

5970. Also, petition of Benedict Joseph's Holy Name Society, of Richmond Hill, Long Island, N. Y., protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5971. By Mr. OLNEY: Memorial of the Quincy Catholic Club, Quincy, Mass., opposing the passage of the Smith-Towner bill; to the Committee on Education.

5972. Also, memorial of St. Francis Court, No. 25, M. C. O. F., Quincy, Mass., protesting enactment of the Smith-Towner bill; to the Committee on Education.

5973. By Mr. RAKER: Petition of the Gilroy Chamber of Commerce, of Gilroy, Calif., urging the adoption of the 1-cent drop-letter rate in cities, towns, and on rural routes; to the Committee on the Post Office and Post Roads.

5974. Also, petition of Ira C. Flanders, of Murphys; John B. Conner, of Lewiston; Leslie T. Alward and four others of Redding; Thomas Campbell, of Hayfork; and Roy C. Barmore, of Newcastle, all rural mail carriers in the State of California, and letter from the California State Rural Letter Carriers' Association containing an itemized statement of expenses and income, in support of the increased compensation for rural mail carriers; to the Committee on the Post Office and Post Roads.

5975. By Mr. SINCLAIR: Petition of Samuel E. Hamilton Post, Plaza, N. Dak., asking for the passage of legislation for the relief of disabled soldiers; to the Committee on Ways and Means.

5976. Also, petition of Grand Forks Council, No. 1260 (North Dakota), protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5977. By Mr. TAGUE: Petition of Bishop Cheverus General Assembly, Knights of Columbus, Boston, Mass., against Smith-Towner bill; to the Committee on Education.

5978. Also, petition of Massachusetts Farm Bureau relative to Muscle Shoals nitrate plant; to the Committee on Agriculture.

5979. Also, petition of Albert C. Bunage, jr., of Boston, Mass., on appropriation for remounts in Army; to the Committee on Appropriations.

5980. Also, petition of Charlestown Branch, Ladies' Catholic Benevolent Association, of Boston, Mass., against Smith-Towner bill; to the Committee on Education.

5981. Also, petition of the governor of Massachusetts, concerning urgent deficiency appropriation; to the Committee on Appropriations.

5982. By Mr. TEMPLE: Petition of Octave Jacquain, foreign manager of the Libby-Owens Sheet Glass Co., of Washington, Pa., favoring the passage of the Smith-Towner bill; to the Committee on Education.

5983. Also, petitions of Rev. Ansell Mueller, Rev. Alexius Staab, and Rev. Alphonse Hillenbrand, of Rochester; National Order of Daughters of Isabella, Branch No. 1269 of Ladies' Catholic Benevolent Association, and Woodlawn Council, No. 2161, Knights of Columbus, of Woodlawn, all in the State of Pennsylvania, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

5984. By Mr. YOUNG of North Dakota: Petition of Harry Hardy Post, No. 47, American Legion, of Burnstad, N. Dak., favoring the enactment of legislation providing for better hospital facilities, etc., for disabled war veterans; to the Committee on Ways and Means.